SECURITY AGREEMENT

among

CORE EDUCATION AND CONSULTING SOLUTIONS, INC.

CERTAIN SUBSIDIARIES OF CORE EDUCATION AND CONSULTING SOLUTIONS, INC. LISTED HEREIN

and

DB TRUSTEES (HONG KONG) LIMITED,
as SECURITY AGENT

Dated as of January 23, 2013

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS 2

1.1 Definitions 2
1.2 Other Definitional Provisions 7

ARTICLE II SECURITY INTERESTS 8

2.1 Grant of Security Interests 8
2.2 Power of Attorney 9

ARTICLE III GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS 10

3.1 Necessary Filings 10
3.2 No Security or Quasi-Security 10
3.3 Other Financing Statements 10
3.4 Chief Executive Office, Record Locations 10
3.5 Location of Inventory and Equipment 11
3.6 Legal Names; Type of Organization (and Whether a Registered Organization and/or a Transmitting Utility); Jurisdiction of Organization; Location; Organizational Identification Numbers; Federal Employer Identification Number; Changes Thereto; etc. 11
3.7 Trade Names; Etc. 11
3.8 Certain Significant Transactions. 12
3.9 Non-UCC Property 12
3.10 As-Extracted Collateral; Timber-to-be-Cut 12
3.11 Collateral in the Possession of a Bailee 12
3.12 Recourse 13

ARTICLE IV SPECIAL PROVISIONS CONCERNING ACCOUNTS; CONTRACT RIGHTS; INSTRUMENTS; CHATTEL PAPER AND CERTAIN OTHER COLLATERAL 13

4.1 Additional Representations and Warranties 13
4.2 Maintenance of Records 13
4.3 Direction to Account Debtors; Contracting Parties; etc. 13
4.4 Modification of Terms; etc. 14
4.5 Collection 14
4.6 Instruments 14
4.7 Assignors Remain Liable Under Accounts 15
4.8 Assignors Remain Liable Under Contracts 15
4.9 Deposit Accounts; Etc 15
4.10 Letter-of-Credit Rights 16
4.11 Commercial Tort Claims 16
4.12 Chattel Paper 17

Page

4.13 Further Actions 17

ARTICLE V SPECIAL PROVISIONS CONCERNING TRADEMARKS AND DOMAIN NAMES 17

5.1 Additional Representations and Warranties....................17
5.2 Licenses and Assignments 18
5.3 Infringements 18
5.4 Preservation of Marks and Domain Names 18
5.5 Maintenance of Registration 18
5.6 Future Registered Marks and Domain Names 18
5.7 Remedies....................18

ARTICLE VI SPECIAL PROVISIONS CONCERNING PATENTS, COPYRIGHTS AND TRADE SECRETS 19

6.1 Additional Representations and Warranties....................19
6.2 Licenses and Assignments 19
6.3 Infringements 19
6.4 Maintenance of Patents or Copyrights....................20
6.5 Prosecution of Patent or Copyright Applications 20
6.6 Other Patents and Copyrights 20

ARTICLE VII PROVISIONS CONCERNING ALL COLLATERAL 21

7.1 Protection of Security Agent's Security 21
7.2 Warehouse Receipts Non-Negotiable 21
7.3 Additional Information. 21
7.4 Further Actions 21
7.5 Financing Statements....................22

ARTICLE VIII REMEDIES UPON OCCURRENCE OF AN EVENT OF DEFAULT....................22

8.1 Remedies; Obtaining the Collateral Upon Default 22
8.2 Remedies; Disposition of the Collateral 23
8.3 Waiver of Claims 24
8.4 Application of Proceeds....................24
8.5 Remedies Cumulative 25
8.6 Discontinuance of Proceedings....................25

ARTICLE IX INDEMNITY....................25

9.1 Indemnity 25
9.2 Indemnity Obligations Secured by Collateral; Survival 27

ARTICLE X MISCELLANEOUS 27

10.1 Notices 27

Page

10.2 Waiver; Amendment 27
10.3 Obligations Absolute. 27
10.4 Successors and Assigns 27
10.5 Headings Descriptive 27
10.6 GOVERNING LAW; SUBMISSION TO JURISDICTION; VENUE; WAIVER OF JURY TRIAL 28
10.7 [Intentionally omitted] 29
10.8 Assignor's Duties 29
10.9 Termination; Release 29
10.10 Counterparts 30
10.11 Severability 30
10.12 The Security Agent and the other Secured Parties; Appointees. 30
10.13 Additional Assignors 30

ANNEX A Schedule of Assignors and Chief Executive Offices
ANNEX B Schedule of Inventory and Equipment Locations
ANNEX C Schedule of Legal Names, Type of Organization (and Whether a Registered Organization and/or a Transmitting Utility), Jurisdiction of Organization, Location, Organizational Identification Numbers and Federal Employer Identification Numbers
ANNEX D Schedule of Trade and Fictitious Names
ANNEX E Description of Certain Significant Transactions Occurring Within One Year Prior to the Date of the Security Agreement
ANNEX F Schedule of Deposit Accounts
ANNEX G Form of Control Agreement Regarding Deposit Accounts
ANNEX H Schedule of Commercial Tort Claims
ANNEX I Schedule of Marks and Applications; Internet Domain Name Registrations
ANNEX J Schedule of Patents
ANNEX K Schedule of Copyrights
ANNEX L Grant of Security Interest in United States Trademarks
ANNEX M Grant of Security Interest in United States Patents
ANNEX N Grant of Security Interest in United States Copyrights
ANNEX O Joinder Agreement

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SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of January 23, 2013, made by each of the entities listed in Annex A as an assignor (each, an "Assignor" and, together with any other entity that becomes an assignor hereunder pursuant to Section 10.13 hereof, the "Assignors") in favor of DB Trustees (Hong Kong) Limited ("DB Trustees"), as Security Agent (together with any successor of the Security Agent, the "Security Agent"), for the benefit of the Secured Parties (as defined below). Certain capitalized terms as used herein are defined in Article I hereof.

W I T N E S S E T H:

WHEREAS, Core Education and Consulting Solutions, Inc. (the "Borrower") has entered into a facility agreement, dated as of the date hereof (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "Facility Agreement"), among the Borrower, as borrower, Core Education & Technologies Limited, as guarantor, Core Education & Consulting Solutions Pte. Ltd., as security provider, Partners4Growth, Inc., as guarantor (the "Subsidiary Guarantor"), Deutsche Bank AG, Singapore Branch, as arranger, Deutsche Bank AG, Hong Kong Branch, as facility agent, DB Trustees, as Security Agent and the other financial institutions from time to time party thereto, which as of the date hereof provides for a term loan facility to the Borrower.

WHEREAS, the Subsidiary Guarantor is a direct Subsidiary of the Borrower;

WHEREAS, it is a condition precedent to the making of Loans to the Borrower under the Facility Agreement that each Assignor shall have executed and delivered to the Security Agent this Agreement; and

WHEREAS, each Assignor will obtain benefits from the incurrence of Loans by the Borrower and, accordingly, desires to execute this Agreement in order to satisfy the condition described in the preceding paragraph and to induce the Lenders to make Loans to the Borrower;

NOW, THEREFORE, in consideration of the benefits accruing to each Assignor, the receipt and sufficiency of which are hereby acknowledged, each Assignor hereby makes the following representations and warranties to the Security Agent for the benefit of the Secured Parties and hereby covenants and agrees with the Security Agent for the benefit of the Secured Parties as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. (a) Unless otherwise defined herein, capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings specified in the Facility Agreement.

(b) The following terms shall have the following meanings:

"Account" shall mean any "account" as such term is defined in the UCC as in effect on the date hereof in the State of New York, and in any event shall include but shall not be limited to, all rights to payment of any monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for the use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance operated or sponsored by a State, governmental unit of a State, or person licensed or authorized to operate the game by a State or governmental unit of a State. Without limiting the foregoing, the term "account" shall include all Health-Care-Insurance Receivables.

"Agreement" shall mean this Security Agreement, as the same may be amended, restated, amended and restated, supplemented and/or otherwise modified from time to time in accordance with its terms.

"As-Extracted Collateral" shall mean "as-extracted collateral" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Assignor" shall have the meaning provided in the preamble hereto.

"Bankruptcy Code" shall mean Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Bankruptcy Law" shall mean the Bankruptcy Code, and any similar federal or state or non-U.S. law or statute for the supervision, administration or relief of debtors, including, without limitation, bankruptcy or insolvency laws.

"Borrower" shall have the meaning provided for in the first recital hereto.

"Chattel Paper" shall mean "chattel paper" as such term is defined in the UCC as in effect on the date hereof in the State of New York. Without limiting the foregoing, the term "Chattel Paper" shall in any event include all Tangible Chattel Paper and all Electronic Chattel Paper.

"Collateral" shall have the meaning provided in Section 2.1(a) of this Agreement.

"Commercial Tort Claims" shall mean "commercial tort claims" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Contract Rights" shall mean all rights of any Assignor under each Contract, including, without limitation, (i) any and all rights to receive and demand payments under any or all Contracts, (ii) any and all rights to receive and compel performance under any or all Contracts and (iii) any and all other rights, interests and claims now existing or in the future arising in connection with any or all Contracts.

"Contracts" shall mean all contracts between any Assignor and one or more additional parties (including, without limitation, licensing agreements and any partnership agreements, joint venture agreements and limited liability company agreements).

"Copyrights" shall mean any United States or foreign copyright now or hereafter owned by any Assignor, including any registrations of any copyrights in the United States Copyright Office or any foreign equivalent office, as well as any application for a copyright registration now or hereafter made with the United States Copyright Office or any foreign equivalent office by any Assignor.

"DB Trustees" shall have the meaning provided in the preamble hereto.

"Deposit Accounts" shall mean all "deposit accounts" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Documents" shall mean "documents" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Domain Names" shall mean all Internet domain names and associated URL addresses in or to which any Assignor now or hereafter has any right, title or interest.

"Electronic Chattel Paper" shall mean "electronic chattel paper" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Equipment" shall mean any "equipment" as such term is defined in the UCC as in effect on the date hereof in the State of New York, and in any event, shall include, but shall not be limited to, all machinery, equipment, furnishings, fixtures and vehicles now or hereafter owned by any Assignor and any and all additions, substitutions and replacements of any of the foregoing and all accessions thereto, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"Event of Default" shall mean any Event of Default under, and as defined in, the Facility Agreement and shall in any event include, without limitation, any payment default under any of the Secured Obligations after the expiration of any applicable grace period.

"Facility Agreement" shall have the meaning provided for in the first recital hereto.

"Finance Documents" shall have the meaning set forth in the Facility Agreement.

"General Intangibles" shall mean "general intangibles" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Goods" shall mean "goods" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Health-Care-Insurance Receivable" shall mean any "health-care-insurance receivable" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Indemnitee" shall have the meaning provided in Section 9.1(a) of this Agreement.

"Insolvency or Liquidation Proceeding" shall mean any of the following: (i) the filing by any Assignor of a voluntary petition in bankruptcy under any provision of any Bankruptcy Law (including, without limitation, the Bankruptcy Code) or a petition to take advantage of any receivership or insolvency laws, including, without limitation, any petition seeking the dissolution, the suspension of payments, a moratorium of any indebtedness, winding up, total or partial liquidation, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise), composition, arrangement, adjustment or readjustment or other relief of such Assignor, such Assignor's debts or such Assignor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Assignor or a material part of such Assignor's property; (ii) the admission in writing by such Assignor of its inability to pay its debts generally as they become due; (iii) the appointment of a receiver, administrative receiver, compulsory manager, provisional supervisor, liquidator, trustee, custodian or other similar official for such Assignor or all or a material part of such Assignor's assets; (iv) the filing of any petition against such Assignor under any Bankruptcy Law (including, without limitation, the Bankruptcy Code) or other receivership or insolvency law, including, without limitation, any petition seeking the dissolution, winding up, total or partial liquidation, reorganization, composition, arrangement, adjustment or readjustment or other relief of such Assignor, such Assignor's debts or such Assignor's assets or the appointment of a trustee, receiver, liquidator, custodian or similar official for such Assignor or a material part of such Assignor's property; (v) the composition, arrangement or general assignment by such Assignor for the benefit of creditors or any other marshalling of the assets and liabilities of such Assignor; or (vi) a corporate (or similar) action taken by such Assignor to authorize any of the foregoing.

"Instrument" shall mean "instruments" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Inventory" shall mean merchandise, inventory and goods, and all additions, substitutions and replacements thereof and all accessions thereto, wherever located, together with all goods, supplies, incidentals, packaging materials, labels, materials and any other items used or usable in manufacturing, processing, packaging or shipping same, in all stages of production from raw materials through work in process to finished goods, and all products and proceeds of whatever sort and wherever located any portion thereof which may be returned, rejected, reclaimed or repossessed by the Security Agent from any Assignor's customers, and shall specifically include all "inventory" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Investment Property" shall mean "investment property" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Joinder Agreement" shall mean a supplement to this Agreement substantially in the form of Annex O hereof required pursuant to Section 10.13 hereof in order to become an additional Assignor hereunder.

"Letter-of-Credit Rights" shall mean "letter-of-credit rights" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Location" of any Assignor, shall mean such Assignor's "location" as determined pursuant to Section 9-307 of the UCC.

"Marks" shall mean all right, title and interest in and to any trademarks, service marks and trade names now held or hereafter acquired by any Assignor, including any registration or application for registration of any trademarks and service marks now held or hereafter acquired by any Assignor, which are registered or filed in the United States Patent and Trademark Office or the equivalent thereof in any state of the United States or any equivalent foreign office or agency, as well as any unregistered trademarks and service marks used by an Assignor and any trade dress including logos, designs, fictitious business names and other business identifiers used by any Assignor.

"Material Adverse Effect" shall mean any Material Adverse Effect under, and as defined in, the Facility Agreement.

"Patents" shall mean any patent in or to which any Assignor now or hereafter has any right, title or interest therein, and any divisions, continuations (including, but not limited to, continuations-in-parts) and improvements thereof, as well as any application for a patent now or hereafter made by any Assignor.

"Permits" shall mean, to the extent permitted to be assigned by the terms thereof or by applicable law, all licenses, permits, rights, orders, variances, franchises or authorizations of or from any governmental authority or agency.

"Permitted Security" shall mean any of the arrangements or transactions permitted pursuant to paragraph (c) of clause 21.5 (*Negative Pledge*) of the Facility Agreement.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any Governmental Agency.

"PGI" shall have the meaning provided for in the first recital hereto.

"Proceeds" shall mean all "proceeds" as such term is defined in the UCC as in effect in the State of New York on the date hereof and, in any event, shall also include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the Security Agent or any Assignor from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to any Assignor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority) and (iii) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Process Agent" shall have the meaning provided in Section 10.7(a) of this Agreement.

"Registered Organization" shall have the meaning provided in the UCC as in effect in the State of New York.

"Representative" shall have the meaning provided in Section 8.4(e) of this Agreement.

"Secured Obligations" shall mean all indebtedness, liabilities and obligations of every nature of each Obligor from time to time owed to each Secured Party or any of them, under the Finance Documents, whether for principal, premium, interest (including interest which, but for the occurrence of any Insolvency or Liquidation Proceeding (including without limitation the filing of a petition in bankruptcy with respect to any Obligor), would have accrued on any of the Secured Obligations, at the rate provided in the respective documentation, whether or not a claim is allowed against such Person for such interest in the related Insolvency or Liquidation Proceeding or under applicable law), reimbursement of amounts drawn under (and obligations to cash collateralize) fees, expenses, indemnification or otherwise.

"Secured Parties" shall mean each of the Finance Parties under, and as defined in, the Facility Agreement.

"Security Agent" shall have the meaning set forth in the preamble hereto.

"Security Period" shall mean the period beginning on the date hereof and ending on the date of the unconditional and irrevocable satisfaction in full of the Secured Obligations and termination of the Total Commitments under the Facility Agreement.

"Software" shall mean "software" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Supporting Obligations" shall mean any "supporting obligation" as such term is defined in the UCC as in effect on the date hereof in the State of New York, now or hereafter owned by any Assignor, or in which any Assignor has any rights, and, in any event, shall include, but shall not be limited to all of such Assignor's rights in any Letter-of-Credit Right or secondary obligation that supports the payment or performance of, and all security for, any Account, Chattel Paper, Document, General Intangible, Instrument or Investment Property.

"Tangible Chattel Paper" shall mean "tangible chattel paper" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Timber-to-be-Cut" shall mean "timber-to-be-cut" as such term is defined in the UCC as in effect on the date hereof in the State of New York.

"Trade Secrets" shall mean any secretly held existing engineering or other data, information, production procedures and other know-how relating to the design manufacture, assembly, installation, use, operation, marketing, sale and/or servicing of any products or business of an Assignor worldwide whether written or not.

"Trade Secret Rights" shall mean the rights of an Assignor in any Trade Secret it holds.

"Transmitting Utility" shall have the meaning given such term in Section 9-102(a)(80) of the UCC.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in the relevant jurisdiction.

"US$**"** and the sign **"**$**"** shall mean the freely transferable, lawful money of the United States.

1.2 Other Definitional Provisions. (a) The words "hereof," "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Annex and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(c) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to an Assignor, shall refer to such Assignor's Collateral or the relevant part thereof.

ARTICLE II

SECURITY INTERESTS

2.1 Grant of Security Interests.

(a) As security for the prompt and complete payment and performance when due of all of its Secured Obligations, each Assignor does hereby assign and transfer unto the Security Agent, and does hereby pledge and grant to the Security Agent, for the benefit of the Secured Parties, a continuing security interest in all of the right, title and interest of such Assignor in, to and under all of the following personal property and fixtures (and all rights therein) of such Assignor, or in which or to which such Assignor has any rights, in each case whether now existing or hereafter from time to time acquired:

(i) each and every Account;

(ii) all cash;

(iii) all Chattel Paper;

(iv) all Commercial Tort Claims;

(v) all computer programs of such Assignor and all intellectual property rights therein and all other proprietary information of such Assignor, including but not limited to Domain Names and Trade Secret Rights;

(vi) Contracts, together with all Contract Rights arising thereunder;

(vii) all Copyrights;

(viii) all Equipment;

(ix) all Deposit Accounts and all other demand, deposit, time, savings, cash management, passbook and similar accounts maintained by such Assignor with any Person and all monies, securities, Instruments and other investments deposited or required to be deposited in any of the foregoing;

(x) all Documents;

(xi) all General Intangibles;

(xii) all Goods;

(xiii) all Instruments;

(xiv) all Inventory;

(xv) all Investment Property;

(xvi) all Letter-of-Credit Rights (whether or not the respective letter of credit is evidenced by a writing);

(xvii) all Marks, together with the registrations and right to all renewals thereof, the goodwill of the business of such Assignor symbolized by the Marks and all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same;

(xviii) all Patents, together with all causes of action arising prior to or after the date hereof for infringement of any of the Patents or unfair competition regarding the same;

(xix) all Permits;

(xx) all Software and all Software licensing rights, all writings, plans, specifications and schematics, all engineering drawings, customer lists, goodwill and licenses, and all recorded data of any kind or nature, regardless of the medium of recording;

(xxi) all Supporting Obligations; and

(xxii) all Proceeds and products of any and all of the foregoing (all of the above, the "Collateral").

(b) The security interest of the Security Agent under this Agreement extends to all Collateral which any Assignor may acquire, or with respect to which any Assignor may obtain rights, at any time during the term of this Agreement.

2.2 Power of Attorney. Each Assignor hereby constitutes and appoints the Security Agent its true and lawful attorney, irrevocably, with full power after the occurrence of and during the continuance of an Event of Default (in the name of such Assignor or otherwise) to act, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due or to become due to such Assignor under or arising out of the Collateral, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Security Agent may deem to be necessary or advisable to protect the interests of the Secured Parties, which appointment as attorney is coupled with an interest.

ARTICLE III

GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS

Each Assignor represents, warrants and covenants, which representations, warranties and covenants shall survive execution and delivery of this Agreement, as follows:

3.1 Necessary Filings. All filings, registrations, recordings and other actions necessary or appropriate to create, preserve and perfect the security interest granted by such Assignor to the Security Agent hereby in respect of the Collateral have been accomplished and the security interest granted to the Security Agent pursuant to this Agreement in and to the Collateral creates a valid and, together with all such filings, registrations, recordings and other actions, a perfected security interest therein prior to the rights of all other Persons therein and subject to no other Security or Quasi-Security (other than Permitted Security) and is entitled to all the rights, priorities and benefits afforded by the UCC or other relevant law as enacted in any relevant jurisdiction to perfected security interests, in each case to the extent that the Collateral consists of the type of property in which a security interest may be perfected by possession or control (within the meaning of the UCC as in effect on the date hereof in the State of New York), by filing a financing statement under the UCC as enacted in any relevant jurisdiction or by a filing of a "Grant of Security Interest" (as specified in certain Annexes hereto) in the United States Patent and Trademark Office or in the United States Copyright Office.

3.2 No Security or Quasi-Security. Such Assignor is, and as to all Collateral acquired by it from time to time after the date hereof such Assignor will be, the owner of all Collateral free from any Encumbrance or other right, title or interest of any Person (other than Permitted Security), and such Assignor shall defend the Collateral against all claims and demands of all Persons at any time claiming the same or any interest therein adverse to the Security Agent.

3.3 Other Financing Statements. As of the date hereof, there is no financing statement (or similar statement or instrument of registration under the law of any jurisdiction) covering or purporting to cover any interest of any kind in the Collateral (other than financing statements filed in respect of Permitted Security), and prior to the end of the Security Period, such Assignor will not execute or authorize to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) or statements relating to the Collateral, except financing statements filed or to be filed in respect of and covering the security interests granted hereby by such Assignor or in connection with Permitted Security.

3.4 Chief Executive Office, Record Locations. The chief executive office of such Assignor is, on the date of this Agreement, located at the address indicated on Annex A hereto for such Assignor. During the period of the four calendar months preceding the date of this Agreement, the chief executive office of such Assignor has not been located at any address other than that indicated on Annex A in accordance with the immediately preceding sentence, in each case unless each such other address is also indicated on Annex A hereto for such Assignor.

3.5 Location of Inventory and Equipment. All Inventory and Equipment held on the date hereof, or held at any time during the four calendar months prior to the date hereof, by each Assignor is located at one of the locations shown on Annex B hereto for such Assignor.

3.6 Legal Names; Type of Organization (and Whether a Registered Organization and/or a Transmitting Utility); Jurisdiction of Organization; Location; Organizational Identification Numbers; Federal Employer Identification Number; Changes Thereto; etc. The exact legal name of each Assignor, the type of organization of such Assignor, whether or not such Assignor is a Registered Organization, the jurisdiction of organization of such Assignor, such Assignor's Location, the organizational identification number (if any) of such Assignor, the Federal Employer Identification Number (if any); and whether or not such Assignor is a Transmitting Utility, is listed on Annex C hereto for such Assignor. Such Assignor shall not change its legal name, its type of organization, its status as a Registered Organization (in the case of a Registered Organization), its status as a Transmitting Utility or as a Person which is not a Transmitting Utility, as the case may be, its jurisdiction of organization, its Location, its organizational identification number (if any), or its Federal Employer Identification Number (if any) from that used on Annex C hereto, except that any such changes shall be permitted (so long as not in violation of the applicable requirements of the Finance Documents and so long as same do not involve (x) a Registered Organization ceasing to constitute same or (y) such Assignor changing its jurisdiction of organization or Location from the United States or a State thereof to a jurisdiction of organization or Location, as the case may be, outside the United States or a State thereof) if (i) it shall have given to the Security Agent not less than 15 days' prior written notice of each change to the information listed on Annex C (as adjusted for any subsequent changes thereto previously made in accordance with this sentence), together with a supplement to Annex C which shall correct all information contained therein for such Assignor, and (ii) in connection with the respective such change or changes, it shall have taken all action reasonably requested by the Security Agent to maintain the security interests of the Security Agent in the Collateral intended to be granted hereby at all times fully perfected and in full force and effect. In addition, to the extent that such Assignor does not have an organizational identification number on the date hereof and later obtains one, such Assignor shall promptly thereafter notify the Security Agent of such organizational identification number and shall take all actions reasonably satisfactory to the Security Agent to the extent necessary to maintain the security interest of the Security Agent in the Collateral intended to be granted hereby fully perfected and in full force and effect.

3.7 Trade Names; Etc. Such Assignor has or operates in any jurisdiction under, or in the preceding five years has had or has operated in any jurisdiction under, no trade names, fictitious names or other names except its legal name as specified in Annex C and such other trade or fictitious names as are listed on Annex D hereto for such Assignor. Such Assignor shall not assume or operate in any jurisdiction under any new trade, fictitious or other name until (i) it shall have given to the Security Agent not less than 15 days' written notice of its intention so to do, clearly describing such new name and the jurisdictions in which such new name will be used and providing such other information in connection therewith as the Security Agent may reasonably request and (ii) with respect to such new name, it shall have taken all action reasonably requested by the Security Agent to maintain the security interest of the Security Agent in the Collateral intended to be granted hereby at all times fully perfected and in full force and effect.

3.8 Certain Significant Transactions. During the one year period preceding the date of this Agreement, no Person shall have merged or consolidated with or into any Assignor, and no Person shall have liquidated into, or transferred all or substantially all of its assets to, any Assignor, in each case except as described in Annex E hereto. With respect to any transactions so described in Annex E hereto, the respective Assignor shall have furnished such information with respect to the Person (and the assets of the Person and locations thereof) which merged with or into or consolidated with such Assignor, or was liquidated into or transferred all or substantially all of its assets to such Assignor, and shall have furnished to the Security Agent such UCC lien searches as may have been requested with respect to such Person and its assets, to establish that no security interest (excluding Permitted Security) continues perfected on the date hereof with respect to any Person described above (or the assets transferred to the respective Assignor by such Person), including without limitation pursuant to Section 9-316(a)(3) of the UCC.

3.9 Non-UCC Property. The aggregate fair market value (as determined by the Assignors in good faith) of all property of the Assignors of the types described in clauses (1), (2) and (3) of Section 9-311(a) of the UCC does not exceed a stated amount of five percent (5%) of net book value of such Assignor's total assets (as reflected in its latest financial statements). If the aggregate value of all such property at any time owned by all Assignors exceeds such amount, the Assignors shall provide prompt written notice thereof to the Security Agent and, upon the request of the Security Agent, the Assignors shall promptly (and in any event within 30 days) take such actions (at their own cost and expense) as may be required under the respective United States, State or other laws referenced in Section 9-311(a) of the UCC to perfect the security interests granted herein in any Collateral where the filing of a financing statement does not perfect the security interest in such property in accordance with the provisions of Section 9-311(a) of the UCC.

3.10 As-Extracted Collateral; Timber-to-be-Cut. On the date hereof, such Assignor does not own, or expect to acquire, any property which constitutes, or would constitute, As-Extracted Collateral or Timber-to-be-Cut. If at any time after the date of this Agreement such Assignor owns, acquires or obtains rights to any As-Extracted Collateral or Timber-to-be-Cut, such Assignor shall furnish the Security Agent with prompt written notice thereof (which notice shall describe in reasonable detail the As-Extracted Collateral and/or Timber-to-be-Cut and the locations thereof) and shall take all actions as may be deemed reasonably necessary or desirable by the Security Agent to perfect the security interest of the Security Agent therein.

3.11 Collateral in the Possession of a Bailee. If any Inventory or other Goods are at any time in the possession of a bailee, such Assignor shall promptly notify the Security Agent thereof and, if requested by the Security Agent, shall use its reasonable best efforts to promptly obtain an acknowledgment from such bailee, in form and substance reasonably satisfactory to the Security Agent, that the bailee holds such Collateral for the benefit of the Security Agent and shall act upon the instructions of the Security Agent, without the further consent of such Assignor. The Security Agent agrees with such Assignor that the Security Agent shall not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by the respective Assignor with respect to any such bailee.

3.12 Recourse. This Agreement is made with full recourse to each Assignor and pursuant to and upon all the warranties, representations, covenants and agreements on the part of such Assignor contained herein, in the Finance Documents and otherwise in writing in connection herewith or therewith.

ARTICLE IV

SPECIAL PROVISIONS CONCERNING ACCOUNTS; CONTRACT RIGHTS; INSTRUMENTS; CHATTEL PAPER AND CERTAIN OTHER COLLATERAL

4.1 Additional Representations and Warranties. As of the time when each of its Accounts arises, each Assignor shall be deemed to have represented and warranted that each such Account, and all records, papers and documents relating thereto (if any) are genuine and what they purport to be, and that all papers and documents (if any) relating thereto (i) will, to the knowledge of such Assignor, represent the genuine, legal, valid and binding obligation of the account debtor evidencing indebtedness unpaid and owed by the respective account debtor arising out of the performance of labor or services or the sale or lease and delivery of the merchandise listed therein, or both, (ii) will be the only original writings evidencing and embodying such obligation of the account debtor named therein (other than copies created for general accounting purposes), (iii) will, to the knowledge of such Assignor, evidence true and valid obligations, enforceable in accordance with their respective terms, and (iv) will be in compliance and will conform in all material respects with all applicable federal, state and local laws and applicable laws of any relevant foreign jurisdiction.

4.2 Maintenance of Records. Each Assignor will keep and maintain at its own cost and expense accurate records of its Accounts and Contracts, including, but not limited to, originals of all documentation (including each Contract) with respect thereto, records of all payments received, all credits granted thereon, all merchandise returned and all other dealings therewith, and such Assignor will make the same available on such Assignor's premises to the Security Agent for inspection, at such Assignor's own cost and expense, at any and all reasonable times upon prior notice to such Assignor and otherwise in accordance with the Finance Documents. Upon the occurrence and during the continuance of an Event of Default and at the request of the Security Agent, such Assignor shall, at its own cost and expense, deliver all tangible evidence of its Accounts and Contract Rights (including, without limitation, all documents evidencing the Accounts and all Contracts) and such books and records to the Security Agent or to its representatives (copies of which evidence and books and records may be retained by such Assignor). Upon the occurrence and during the continuance of an Event of Default and if the Security Agent so directs, such Assignor shall legend, in form and manner satisfactory to the Security Agent, the Accounts and the Contracts, as well as books, records and documents (if any) of such Assignor evidencing or pertaining to such Accounts and Contracts with an appropriate reference to the fact that such Accounts and Contracts have been assigned to the Security Agent and that the Security Agent has a security interest therein.

4.3 Direction to Account Debtors; Contracting Parties; etc. Upon the occurrence and during the continuance of an Event of Default, if the Security Agent so directs any Assignor, such Assignor agrees (x) to cause all payments on account of the Accounts and Contracts to be made directly to the Collection Account, (y) that the Security Agent may, at its option, directly notify the obligors with respect to any Accounts and/or under any Contracts to make payments with respect thereto as provided in the preceding clause (x), and (z) that the Security Agent may enforce collection of any such Accounts and Contracts and may adjust, settle or compromise the amount of payment thereof, in the same manner and to the same extent as such Assignor. Without notice to or assent by any Assignor, the Security Agent may, upon the occurrence and during the continuance of an Event of Default, apply any or all amounts then in, or thereafter deposited in, the Collection Account toward the payment of the Secured Obligations in the manner provided in Section 8.4 of this Agreement. The reasonable costs and expenses of collection (including reasonable attorneys' fees), whether incurred by an Assignor or the Security Agent, shall be borne by the relevant Assignor. The Security Agent shall deliver a copy of each notice referred to in the preceding clause (y) to the relevant Assignor, provided that (x) the failure by the Security Agent to so notify such Assignor shall not affect the effectiveness of such notice or the other rights of the Security Agent created by this Section 4.3 and (y) no such notice shall be required if an Event of Default resulting from the non-payment of any Secured Obligations has occurred and is continuing.

4.4 Modification of Terms; etc. Except in accordance with such Assignor's ordinary course of business and consistent with reasonable business judgment or as permitted by Section 4.5, no Assignor shall rescind or cancel any indebtedness evidenced by any Account or under any Contract, or modify any material term thereof or make any material adjustment with respect thereto, or extend or renew the same, or compromise or settle any material dispute, claim, suit or legal proceeding relating thereto, or sell any Account or Contract, or interest therein, without the prior written consent of the Security Agent. No Assignor will do anything to impair the rights of the Security Agent in the Accounts or Contracts.

4.5 Collection. Each Assignor shall endeavor in accordance with reasonable business practices to cause to be collected from the account debtor named in each of its Accounts or obligor under any Contract, as and when due (including, without limitation, amounts which are delinquent, such amounts to be collected in accordance with generally accepted lawful collection procedures) any and all amounts owing under or on account of such Account or Contract, and apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account or under such Contract. Except as otherwise directed by the Security Agent after the occurrence and during the continuation of an Event of Default, any Assignor may allow in the ordinary course of business as adjustments to amounts owing under its Accounts and Contracts (i) an extension or renewal of the time or times of payment, or settlement for less than the total unpaid balance, which such Assignor finds appropriate in accordance with reasonable business judgment and (ii) a refund or credit due as a result of returned or damaged merchandise or improperly performed services or for other reasons which such Assignor finds appropriate in accordance with reasonable business judgment. The reasonable costs and expenses (including, without limitation, reasonable attorneys' fees) of collection, whether incurred by an Assignor or the Security Agent, shall be borne by the relevant Assignor.

4.6 Instruments. If any Assignor owns or acquires any Instrument for a value equal to or in excess of a stated amount of five percent (5%) of net book value of the such Assignor's total assets (as reflected in its latest financial statements) constituting Collateral (other than (x) checks and other payment instruments received and collected in the ordinary course of business and (y) any Instrument subject to pledge pursuant to the Pledge Agreement), such Assignor will within 10 Business Days notify the Security Agent thereof, and upon request by the Security Agent will promptly deliver such Instrument to the Security Agent appropriately endorsed to the order of the Security Agent.

4.7 Assignors Remain Liable Under Accounts. Anything herein to the contrary notwithstanding, the Assignors shall remain liable under each of the Accounts to observe and perform all of the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to such Accounts. Neither the Security Agent nor any other Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) by reason of or arising out of this Agreement or the receipt by the Security Agent or any other Secured Party of any payment relating to such Account pursuant hereto, nor shall the Security Agent or any other Secured Party be obligated in any manner to perform any of the obligations of any Assignor under or pursuant to any Account (or any agreement giving rise thereto), to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by them or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto), to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to them or to which they may be entitled at any time or times.

4.8 Assignors Remain Liable Under Contracts. Anything herein to the contrary notwithstanding, the Assignors shall remain liable under each of the Contracts to observe and perform all of the conditions and obligations to be observed and performed by them thereunder, all in accordance with and pursuant to the terms and provisions of each Contract. Neither the Security Agent nor any other Secured Party shall have any obligation or liability under any Contract by reason of or arising out of this Agreement or the receipt by the Security Agent or any other Secured Party of any payment relating to such Contract pursuant hereto, nor shall the Security Agent or any other Secured Party be obligated in any manner to perform any of the obligations of any Assignor under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any performance by any party under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to them or to which they may be entitled at any time or times.

4.9 Deposit Accounts; Etc.

(a) Other than any Deposit Account as set forth in Annex F hereto and the Collection Account and Debt Service Reserve Account, no Assignor maintains, or at any time after the date of this Agreement shall establish or maintain, any demand, time, savings, passbook or similar account. Annex F hereto accurately sets forth, as of the date of this Agreement, for each Assignor, each Deposit Account maintained by such Assignor (other than the Collection Account and the Debt Service Reserve Account) (including a description thereof and the respective account number), the name of the respective bank with which such Deposit Account is maintained, and the jurisdiction of the respective bank with respect to such Deposit Account. Save as otherwise required under the terms of the Facility Agreement, with respect to each Deposit Account, the respective Assignor shall cause the bank with which the Deposit Account is maintained to execute and deliver to the Security Agent, within 30 days after the date of this Agreement a "control agreement" in the form of Annex G hereto (appropriately completed), with such changes thereto, or in such other form, in each case as may be acceptable to the Security Agent. If any bank with which a Deposit Account is maintained refuses to, or does not, enter into such a "control agreement", then the respective Assignor shall promptly (and in any event within 30 days after the date of this Agreement or, if later, 30 days after the establishment of such account) close the respective Deposit Account and transfer all balances therein to the Collection Account or another Deposit Account meeting the requirements of this Section 4.9. If any bank with which a Deposit Account is maintained refuses to subordinate all its claims with respect to such Deposit Account to the Security Agent's security interest therein on terms satisfactory to the Security Agent, then the Security Agent, at its option, may (x) require that such Deposit Account be terminated in accordance with the immediately preceding sentence or (y) agree to a "control agreement" without such subordination, provided that in such event the Security Agent may at any time, at its option, subsequently require that such Deposit Account be terminated (within 30 days after notice from the Security Agent) in accordance with the requirements of the immediately preceding sentence.

(b) After the date of this Agreement, no Assignor shall establish any new demand, time, savings, passbook or similar account, except for Deposit Accounts established and maintained with banks and meeting the requirements of preceding clause (a). At the time any such Deposit Account is established, the appropriate "control agreement" shall be entered into in accordance with the requirements of preceding clause (a) and the respective Assignor shall furnish to the Security Agent a supplement to Annex F hereto containing the relevant information with respect to the respective Deposit Account and the bank with which same is established.

4.10 Letter-of-Credit Rights. If any Assignor is at any time a beneficiary under a letter of credit with a stated amount exceeding five percent (5%) of net book value of the such Assignor's total assets (as reflected in its latest financial statements) or more, such Assignor shall promptly notify the Security Agent thereof and, at the request of the Security Agent, such Assignor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Security Agent, use its reasonable best efforts to (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Security Agent of the proceeds of any drawing under such letter of credit or (ii) arrange for the Security Agent to become the transferee beneficiary of such letter of credit, with the Security Agent agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be applied as provided in this Agreement after the occurrence and during the continuance of an Event of Default.

4.11 Commercial Tort Claims. All Commercial Tort Claims of each Assignor in existence on the date of this Agreement are described in Annex H hereto. If any Assignor shall at any time after the date of this Agreement acquire a Commercial Tort Claim in a stated amount (taking the greater of the aggregate claimed damages thereunder or the reasonably estimated value thereof) of five percent (5%) of net book value of such Assignor's total assets (as reflected in its latest financial statements) or more, such Assignor shall promptly notify the Security Agent thereof in a writing signed by such Assignor and describing the details thereof and shall grant to the Security Agent in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Security Agent.

4.12 Chattel Paper. Upon the request of the Security Agent made at any time or from time to time, each Assignor shall promptly furnish to the Security Agent a list of all Electronic Chattel Paper held or owned by such Assignor. Furthermore, if requested by the Security Agent, each Assignor shall promptly take all actions which are reasonably practicable so that the Security Agent has "control" of all Electronic Chattel Paper in accordance with the requirements of Section 9-105 of the UCC. Each Assignor will promptly (and in any event within 10 days) following any request by the Security Agent, deliver all of its Tangible Chattel Paper to the Security Agent.

4.13 Further Actions. Each Assignor will, at its own expense, make, execute, endorse, acknowledge, file and/or deliver to the Security Agent from time to time such vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, certificates, reports and other assurances or instruments and take such further steps, including any and all actions as may be necessary or required under the Federal Assignment of Claims Act, relating to its Accounts, Contracts, Instruments and other property or rights covered by the security interest hereby granted, as the Security Agent may reasonably require.

ARTICLE V

SPECIAL PROVISIONS CONCERNING TRADEMARKS AND DOMAIN NAMES

5.1 Additional Representations and Warranties. Each Assignor represents and warrants that it is the true and lawful owner of or otherwise has the right to use the registered Marks and Domain Names listed in Annex I hereto for such Assignor and that said listed Marks and Domain Names include all United States marks and applications for United States marks registered in the United States Patent and Trademark Office and all Domain Names that such Assignor owns or uses in connection with its business as of the date hereof. Each Assignor represents and warrants that it owns, is licensed to use or otherwise has the right to use, all Marks and Domain Names that it uses. Each Assignor further warrants that it has no knowledge of any third party claim received by it that any aspect of such Assignor's present or contemplated business operations infringes or will infringe any trademark, service mark or trade name of any other Person other than as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Assignor represents and warrants that it is the true and lawful owner of or otherwise has the right to use all U.S. trademark registrations and applications and Domain Name registrations listed in Annex I hereto and that said registrations are valid, subsisting, have not been canceled and that such Assignor is not aware of any third-party claim that any of said registrations is invalid or unenforceable, and is not aware that there is any reason that any of said registrations is invalid or unenforceable, and is not aware that there is any reason that any of said applications will not mature into registrations. Each Assignor hereby grants to the Security Agent an absolute power of attorney to sign, upon the occurrence and during the continuance of an Event of Default, any document which may be required by the United States Patent and Trademark Office or similar registrar in order to effect an absolute assignment of all right, title and interest in each Mark and/or Domain Name, and record the same.

5.2 Licenses and Assignments. Except as otherwise permitted by the Facility Agreement, each Assignor hereby agrees not to divest itself of any right under any Mark or Domain Name absent prior written approval of the Security Agent.

5.3 Infringements. Each Assignor agrees, promptly upon learning thereof, to notify the Security Agent in writing of the name and address of, and to furnish such pertinent information that may be available with respect to, any party who such Assignor believes is, or may be, infringing or diluting or otherwise violating any of such Assignor's rights in and to any Mark or Domain Name in any manner that could reasonably be expected to have a Material Adverse Effect, or with respect to any party claiming that such Assignor's use of any Mark or Domain Name material to such Assignor's business violates in any material respect any property right of that party. Each Assignor further agrees to prosecute diligently in accordance with reasonable business practices any Person infringing any Mark or Domain Name in any manner that could reasonably be expected to have a Material Adverse Effect.

5.4 Preservation of Marks and Domain Names. Each Assignor agrees to use its Marks and Domain Names which are material to such Assignor's business in interstate commerce during the time in which this Agreement is in effect and to take all such other actions as are reasonably necessary to preserve such Marks as trademarks or service marks under the laws of the United States (other than any such Marks which are no longer used or useful in its business or operations).

5.5 Maintenance of Registration. Each Assignor shall, at its own expense, diligently process all documents reasonably required to maintain all Mark and/or Domain Name registrations, including but not limited to affidavits of use and applications for renewals of registration in the United States Patent and Trademark Office for all of its material registered Marks, and shall pay all fees and disbursements in connection therewith and shall not abandon any such filing of affidavit of use or any such application of renewal prior to the exhaustion of all administrative and judicial remedies without prior written consent of the Security Agent (other than with respect to registrations and applications deemed by such Assignor in its reasonable business judgment to be no longer prudent to pursue).

5.6 Future Registered Marks and Domain Names. If any Mark registration is issued hereafter to any Assignor as a result of any application now or hereafter pending before the United States Patent and Trademark Office or any Domain Name is registered by Assignor, within 30 days of receipt of such certificate or similar indicia of ownership, such Assignor shall deliver to the Security Agent a copy of such registration certificate or similar indicia of ownership, and a grant of a security interest in such Mark and/or Domain Name, to the Security Agent and at the expense of such Assignor, confirming the grant of a security interest in such Mark and/or Domain Name to the Security Agent hereunder, the form of such security to be substantially in the form of Annex L hereto or in such other form as may be reasonably satisfactory to the Security Agent.

5.7 Remedies. If an Event of Default shall occur and be continuing, the Security Agent may, by written notice to the relevant Assignor, take any or all of the following actions: (i) file a financing statement under the UCC as enacted in any relevant jurisdiction and/or file a Grant of Security Interest in the respective form attached hereto in the United States

Patent and Trademark Office or in the United States Copyright Office, (ii) declare the entire right, title and interest of such Assignor in and to each of the Marks and Domain Names, together with all trademark rights and rights of protection to the same, vested in the Security Agent for the benefit of the Secured Parties, in which event such rights, title and interest shall immediately vest, in the Security Agent for the benefit of the Secured Parties, and the Security Agent shall be entitled to exercise the power of attorney referred to in Section 5.1 hereof to execute, cause to be acknowledged and notarized and record said absolute assignment with the applicable agency or registrar; (iii) take and use or sell the Marks or Domain Names and the goodwill of such Assignor's business symbolized by the Marks or Domain Names and the right to carry on the business and use the assets of such Assignor in connection with which the Marks or Domain Names have been used; and (iv) direct such Assignor to refrain, in which event such Assignor shall refrain, from using the Marks or Domain Names in any manner whatsoever, directly or indirectly, and such Assignor shall execute such further documents that the Security Agent may reasonably request to further confirm this and to transfer ownership of the Marks or Domain Names and registrations and any pending trademark applications in the United States Patent and Trademark Office or applicable Domain Name registrar to the Security Agent.

ARTICLE VI

SPECIAL PROVISIONS CONCERNING PATENTS, COPYRIGHTS AND TRADE SECRETS

6.1 Additional Representations and Warranties. Each Assignor represents and warrants that it is the true and lawful owner of all rights in (i) all Trade Secret Rights, (ii) the Patents listed in Annex J hereto for such Assignor and that said Patents include all the United States patents and applications for United States patents that such Assignor owns as of the date hereof and (iii) the Copyrights listed in Annex K hereto for such Assignor and that said Copyrights include all the United States copyrights registered with the United States Copyright Office and applications to United States copyrights that such Assignor owns as of the date hereof. Each Assignor further warrants that it has no knowledge of any third party claim that any aspect of such Assignor's present or contemplated business operations infringes or will infringe any patent of any other Person or such Assignor has misappropriated any Trade Secret or proprietary information which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. Each Assignor hereby grants to the Security Agent an absolute power of attorney to sign, upon the occurrence and during the continuance of any Event of Default, any document which may be required by the United States Patent and Trademark Office or the United States Copyright Office in order to effect an absolute assignment of all right, title and interest in each Patent or Copyright, and to record the same.

6.2 Licenses and Assignments. Except as otherwise permitted by the Facility Agreement, each Assignor hereby agrees not to divest itself of any right under any Patent or Copyright absent prior written approval of the Security Agent.

6.3 Infringements. Each Assignor agrees, promptly upon learning thereof, to furnish the Security Agent in writing with all pertinent information available to such Assignor with respect to any infringement, contributing infringement or active inducement to infringe or other violation of such Assignor's rights in any Patent or Copyright or to any claim that the practice of any Patent or use of any Copyright violates any property right of a third party, or with respect to any misappropriation of any Trade Secret Right or any claim that practice of any Trade Secret Right violates any property right of a third party, in each case, in any manner which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. Each Assignor further agrees, absent direction of the Security Agent to the contrary, to diligently prosecute, in accordance with its reasonable business judgment, any Person infringing any Patent or Copyright or any Person misappropriating any Trade Secret Right, in each case to the extent that such infringement or misappropriation, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

6.4 Maintenance of Patents or Copyrights. At its own expense, each Assignor shall make timely payment of all post-issuance fees required to maintain in force its rights under each Patent or Copyright, absent prior written consent of the Security Agent (other than any such Patents or Copyrights which are no longer used or are deemed by such Assignor in its reasonable business judgment to no longer be useful in its business or operations).

6.5 Prosecution of Patent or Copyright Applications. At its own expense, each Assignor shall diligently prosecute all material applications for (i) United States Patents listed in Annex J hereto and (ii) Copyrights listed on Annex K hereto, in each case for such Assignor and shall not abandon any such application prior to exhaustion of all administrative and judicial remedies (other than applications that are deemed by such Assignor in its reasonable business judgment to no longer be necessary in the conduct of the Assignor's business), absent written consent of the Security Agent.

6.6 Other Patents and Copyrights. Within 30 days of the acquisition or issuance of a United States Patent, registration of a Copyright, or acquisition of a registered Copyright, or of filing of an application for a United States Patent or Copyright, the relevant Assignor shall deliver to the Security Agent a copy of said Copyright or Patent, or certificate or registration of, or application therefor, as the case may be, with a grant of a security interest as to such Patent or Copyright, as the case may be, to the Security Agent and at the expense of such Assignor, confirming the grant of a security interest, the form of such grant of a security interest to be substantially in the form of Annex M or N hereto, as appropriate, or in such other form as may be reasonably satisfactory to the Security Agent.

6.7 Remedies. If an Event of Default shall occur and be continuing, the Security Agent may, by written notice to the relevant Assignor, take any or all of the following actions: (i) file a financing statement under the UCC as enacted in any relevant jurisdiction and/or file a Grant of Security Interest in the respective form attached hereto in the United States Patent and Trademark Office or in the United States Copyright Office, (ii) declare the entire right, title, and interest of such Assignor in each of the Patents and Copyrights vested in the Security Agent for the benefit of the Secured Parties, in which event such right, title, and interest shall immediately vest in the Security Agent for the benefit of the Secured Parties, in which case the Security Agent shall be entitled to exercise the power of attorney referred to in Section 5.1 hereof to execute, cause to be acknowledged and notarized and to record said absolute assignment with the applicable agency; (ii) take and practice or sell the Patents and Copyrights; and (iii) direct such Assignor to refrain, in which event such Assignor shall refrain, from practicing the Patents and using the Copyrights directly or indirectly, and such Assignor shall execute such further documents as the Security Agent may reasonably request further to confirm this and to transfer ownership of the Patents and Copyrights to the Security Agent for the benefit of the Secured Parties.

ARTICLE VII

PROVISIONS CONCERNING ALL COLLATERAL

7.1 Protection of Security Agent's Security. Except as otherwise permitted by the Facility Agreement, each Assignor will do nothing to impair the rights of the Security Agent in the Collateral. Each Assignor will at all times maintain insurance, at such Assignor's own expense to the extent and in the manner provided in the Facility Agreement. Except to the extent otherwise permitted to be retained by such Assignor or applied by such Assignor pursuant to the terms of the Facility Agreement, the Security Agent shall, at the time any proceeds of such insurance are distributed to the Secured Parties, apply such proceeds in accordance with Section 8.4 hereof. Each Assignor assumes all liability and responsibility in connection with the Collateral acquired by it and the liability of such Assignor to pay the Secured Obligations shall in no way be affected or diminished by reason of the fact that such Collateral may be lost, destroyed, stolen, damaged or for any reason whatsoever unavailable to such Assignor.

7.2 Warehouse Receipts Non-Negotiable. To the extent practicable, each Assignor agrees that if any warehouse receipt or receipt in the nature of a warehouse receipt is issued with respect to any of its Inventory, such Assignor shall request that such warehouse receipt or receipt in the nature thereof shall not be "negotiable" (as such term is used in Section 7-104 of the UCC as in effect in any relevant jurisdiction or under other relevant law).

7.3 Additional Information. Each Assignor will, at its own expense, from time to time upon the reasonable request of the Security Agent, promptly (and in any event within 10 days after its receipt of the respective request) furnish to the Security Agent such information with respect to the Collateral (including the identity of the Collateral or such components thereof as may have been requested by the Security Agent, the value and location of such Collateral, etc.) as may be requested by the Security Agent. Without limiting the forgoing, each Assignor agrees that it shall promptly (and in any event within 10 days after its receipt of the respective request) furnish to the Security Agent such updated Annexes hereto as may from time to time be reasonably requested by the Security Agent.

7.4 Further Actions. Each Assignor will, at its own expense and upon the reasonable request of the Security Agent, make, execute, endorse, acknowledge, file and/or deliver to the Security Agent from time to time such lists, descriptions and designations of its Collateral, warehouse receipts, receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, certificates, reports, Grants of Security Interest in the respective forms attached hereto, and other assurances or instruments and take such further steps relating to the Collateral and other property or rights covered by the security interest hereby granted, which the Security Agent deems reasonably appropriate or advisable to perfect, preserve or protect its security interest in the Collateral.

7.5 Financing Statements. Each Assignor agrees to execute and deliver to the Security Agent such financing statements, in form reasonably acceptable to the Security Agent, as the Security Agent may from time to time reasonably request or as are reasonably necessary or desirable in the opinion of the Security Agent to establish and maintain a valid, enforceable, perfected security interest in the Collateral as provided herein and the other rights and security contemplated hereby. Each Assignor will pay any applicable filing fees, recordation taxes and related expenses relating to its Collateral. Each Assignor hereby authorizes the Security Agent to file any such financing statements without the signature of such Assignor where permitted by law (and such authorization includes describing the Collateral as "all assets" of such Assignor).

ARTICLE VIII

REMEDIES UPON OCCURRENCE OF AN EVENT OF DEFAULT

8.1 Remedies; Obtaining the Collateral Upon Default. Each Assignor agrees that, if any Event of Default shall have occurred and be continuing, then and in every such case, the Security Agent, in addition to any rights now or hereafter existing under applicable law and under the other provisions of this Agreement, shall have all rights as a secured creditor under any UCC, and such additional rights and remedies to which a secured creditor is entitled under the laws in effect in all relevant jurisdictions and may:

(a) personally, or by agents or attorneys, immediately take possession of the Collateral or any part thereof, from such Assignor or any other Person who then has possession of any part thereof with or without notice or process of law, and for that purpose may enter upon such Assignor's premises where any of the Collateral is located and remove the same and use in connection with such removal any and all services, supplies, aids and other facilities of such Assignor;

(b) instruct the obligor or obligors on any agreement, instrument or other obligation (including, without limitation, the Accounts and the Contracts) constituting the Collateral to make any payment required by the terms of such agreement, instrument or other obligation directly to the Security Agent and may exercise any and all remedies of such Assignor in respect of such Collateral;

(c) instruct all banks which have entered into a control agreement with the Security Agent to transfer all monies, securities and instruments held by such depositary bank to the Collection Account;

(d) sell, assign or otherwise liquidate any or all of the Collateral or any part thereof in accordance with Section 8.2 hereof, or direct such Assignor to sell, assign or otherwise liquidate any or all of the Collateral or any part thereof, and, in each case, take possession of the proceeds of any such sale or liquidation;

(e) take possession of the Collateral or any part thereof, by directing such Assignor in writing to deliver the same to the Security Agent at any reasonable place or places designated by the Security Agent, in which event such Assignor shall at its own expense:

(i) forthwith cause the same to be moved to the place or places so designated by the Security Agent and there delivered to the Security Agent;

(ii) store and keep any Collateral so delivered to the Security Agent at such place or places pending further action by the Security Agent as provided in Section 8.2 hereof;

(iii) while the Collateral shall be so stored and kept, provide such security and maintenance services as shall be reasonably necessary to protect the same and to preserve and maintain it in good condition; and

(f) file a financing statement under the UCC as enacted in any relevant jurisdiction and/or file a Grant of Security Interest in the respective forms attached hereto in the United States Patent and Trademark Office or in the United States Copyright Office;

(g) license or sublicense, whether on an exclusive or nonexclusive basis, any Marks, Domain Names, Patents or Copyrights included in the Collateral for such term and on such conditions and in such manner as the Security Agent shall in its sole judgment determine;

(h) apply any monies constituting Collateral or proceeds thereof in accordance with the provisions of Section 8.4; and

(i) take any other action as specified in clauses (1) through (5), inclusive, of Section 9-607(a) of the UCC;

it being understood that each Assignor's obligation so to deliver the Collateral is of the essence of this Agreement and that, accordingly, upon application to a court of equity having jurisdiction, the Security Agent shall be entitled to a decree requiring specific performance by such Assignor of said obligation.

8.2 Remedies; Disposition of the Collateral. If any Event of Default shall have occurred and be continuing, then any Collateral repossessed by the Security Agent under or pursuant to Section 8.1 hereof and any other Collateral whether or not so repossessed by the Security Agent, may be sold, assigned, leased or otherwise disposed of under one or more contracts or as an entirety, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner, at such time or times, at such place or places and on such terms as the Security Agent may, in compliance with any mandatory requirements of applicable law, determine to be commercially reasonable. Any of the Collateral may be sold, leased or otherwise disposed of, in the condition in which the same existed when taken by the Security Agent or after any overhaul or repair at the expense of the relevant Assignor which the Security Agent shall determine to be commercially reasonable. Any such sale, lease or other disposition may be effected by means of a public disposition or private disposition, effected in accordance with the applicable requirements (in each case if and to the extent applicable) of Sections 9-610 through 9-613 of the UCC and/or such other mandatory requirements of applicable law as may apply to the respective disposition. The Security Agent may, without notice or publication, adjourn any public or private disposition or cause the same to be adjourned from time to time by announcement at the time and place fixed for the disposition, and such disposition may be made at any time or place to which the disposition may be so adjourned. To the extent permitted by any such requirement of law, the Security Agent may bid for and become the purchaser (and may pay all or any portion of the purchase price by crediting Secured Obligations against the purchase price) of the Collateral or any item thereof, offered for disposition in accordance with this Section 8.2 without accountability to the relevant Assignor. If, under applicable law, the Security Agent shall be permitted to make disposition of the Collateral within a period of time which does not permit the giving of notice to the relevant Assignor as hereinabove specified, the Security Agent need give such Assignor only such notice of disposition as shall be required by such applicable law. Each Assignor agrees to do or cause to be done all such other acts and things as may be reasonably necessary to make such disposition or dispositions of all or any portion of the Collateral valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sale or sales, all at such Assignor's expense.

8.3 Waiver of Claims. Except as otherwise provided in this Agreement, EACH ASSIGNOR HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, NOTICE AND JUDICIAL HEARING IN CONNECTION WITH THE SECURITY AGENT'S TAKING POSSESSION OR THE SECURITY AGENT'S DISPOSITION OF ANY OF THE COLLATERAL, INCLUDING, WITHOUT LIMITATION, ANY AND ALL PRIOR NOTICE AND HEARING FOR ANY PREJUDGMENT REMEDY OR REMEDIES, and each Assignor hereby further waives, to the extent permitted by law:

(a) all damages occasioned by such taking of possession or any such disposition except any damages which are the direct result of the Security Agent's gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision);

(b) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of the Security Agent's rights hereunder; and

(c) all rights of redemption, appraisement, valuation, stay, extension or moratorium now or hereafter in force under any applicable law in order to prevent or delay the enforcement of this Agreement or the absolute sale of the Collateral or any portion thereof, and each Assignor, for itself and all who may claim under it, insofar as it or they now or hereafter lawfully may, hereby waives the benefit of all such laws.

Any sale of, or the grant of options to purchase, or any other realization upon, any Collateral shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of the relevant Assignor therein and thereto, and shall be a perpetual bar both at law and in equity against such Assignor and against any and all Persons claiming or attempting to claim the Collateral so sold, optioned or realized upon, or any part thereof, from, through and under such Assignor.

8.4 Application of Proceeds.

(a) All monies collected by the Security Agent upon any sale or other disposition of the Collateral pursuant to the terms of this Agreement, together with all other monies received by the Security Agent hereunder, shall be applied in the manner provided for in clause 28.5 (*Partial Payments*) of the Facility Agreement.

(b) It is understood and agreed that each Assignor shall remain jointly and severally liable with respect to its Secured Obligations to the extent of any deficiency between the amount of the proceeds of the Collateral pledged by it hereunder and the aggregate amount of such Secured Obligations.

8.5 Remedies Cumulative. Each and every right, power and remedy hereby specifically given to the Security Agent shall be in addition to every other right, power and remedy specifically given to the Security Agent under this Agreement, the Facility Agreement or now or hereafter existing at law, in equity or by statute and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time or simultaneously and as often and in such order as may be deemed expedient by the Security Agent. All such rights, powers and remedies shall be cumulative and the exercise or the beginning of the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Security Agent in the exercise of any such right, power or remedy and no renewal or extension of any of the Secured Obligations shall impair any such right, power or remedy or shall be construed to be a waiver of any Default or Event of Default or an acquiescence thereof. No notice to or demand on any Assignor in any case shall entitle it to any other or further notice or demand in similar or other circumstances or constitute a waiver of any of the rights of the Security Agent to any other or further action in any circumstances without notice or demand. In the event that the Security Agent shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Security Agent may recover reasonable expenses, including reasonable attorneys' fees, and the amounts thereof shall be included in such judgment.

8.6 Discontinuance of Proceedings. In case the Security Agent shall have instituted any proceeding to enforce any right, power or remedy under this Agreement by foreclosure, sale, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Security Agent, then and in every such case the relevant Assignor, the Security Agent and each holder of any of the Secured Obligations shall be restored to their former positions and rights hereunder with respect to the Collateral subject to the security interest created under this Agreement, and all rights, remedies and powers of the Security Agent shall continue as if no such proceeding had been instituted.

ARTICLE IX

INDEMNITY

9.1 Indemnity.

(a) Each Assignor jointly and severally agrees to indemnify, reimburse and hold the Security Agent, each other Secured Party and their respective successors, assigns, employees, affiliates and agents (hereinafter in this Section 9.1 referred to individually as "Indemnitee," and collectively as "Indemnitees") harmless from any and all liabilities, obligations, damages, injuries, penalties, claims, demands, actions, suits, judgments and any and all costs, expenses or disbursements (including reasonable attorneys' fees and expenses) (for the purposes of this Section 9.1 the foregoing are collectively called "expenses") of whatsoever kind and nature imposed on, asserted against or incurred by any of the Indemnitees in any way relating to or arising out of this Agreement, any other Finance Document or any other document executed in connection herewith or therewith or in any other way connected with the administration of the transactions contemplated hereby or thereby or the enforcement of any of the terms of, or the preservation of any rights under any thereof, or in any way relating to or arising out of the manufacture, ownership, ordering, purchase, delivery, control, acceptance, lease, financing, possession, operation, condition, sale, return or other disposition, or use of the Collateral (including, without limitation, latent or other defects, whether or not discoverable), the violation of the laws of any country, state or other governmental body or unit, any tort (including, without limitation, claims arising or imposed under the doctrine of strict liability, or for or on account of injury to or the death of any Person (including any Indemnitee), or property damage), or contract claim; provided that no Indemnitee shall be indemnified pursuant to this Section 9.1(a) for losses, damages or liabilities to the extent caused by the gross negligence or willful misconduct of such Indemnitee (as determined by a court of competent jurisdiction in a final and non-appealable decision). Each Assignor agrees that upon written notice by any Indemnitee of the assertion of such a liability, obligation, damage, injury, penalty, claim, demand, action, suit or judgment, the relevant Assignor shall assume full responsibility for the defense thereof. Each Indemnitee agrees to use its best efforts to promptly notify the relevant Assignor of any such assertion of which such Indemnitee has knowledge.

(b) Without limiting the application of Section 9.1(a) hereof, each Assignor agrees, jointly and severally, to pay or reimburse the Security Agent for any and all reasonable fees, costs and expenses of whatever kind or nature incurred in connection with the creation, preservation or protection of the Security Agent's Security or Quasi-Security on, and security interest in, the Collateral, including, without limitation, all fees and taxes in connection with the recording or filing of instruments and documents in public offices, payment or discharge of any taxes or Security or Quasi-Security upon or in respect of the Collateral, premiums for insurance with respect to the Collateral and all other fees, costs and expenses in connection with protecting, maintaining or preserving the Collateral and the Security Agent's interest therein, whether through judicial proceedings or otherwise, or in defending or prosecuting any actions, suits or proceedings arising out of or relating to the Collateral.

(c) Without limiting the application of Section 9.1(a) or (b) hereof, each Assignor agrees, jointly and severally, to pay, indemnify and hold each Indemnitee harmless from and against any loss, costs, damages and expenses which such Indemnitee may suffer, expend or incur in consequence of or growing out of any misrepresentation by any Assignor in this Agreement, any other Finance Document or in any writing contemplated by or made or delivered pursuant to or in connection with this Agreement or any other Finance Document.

(d) If and to the extent that the obligations of any Assignor under this Section 9.1 are unenforceable for any reason, such Assignor hereby agrees to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under applicable law.

9.2 Indemnity Obligations Secured by Collateral; Survival. Any amounts paid by any Indemnitee as to which such Indemnitee has the right to reimbursement shall constitute Secured Obligations secured by the Collateral. The indemnity obligations of each Assignor contained in this Article IX shall continue in full force and effect notwithstanding the full payment of all of the other Secured Obligations and notwithstanding the full payment of all Loans made, under the Finance Documents and the payment of all other Secured Obligations and notwithstanding the discharge thereof and the end of the Security Period.

ARTICLE X

MISCELLANEOUS

10.1 Notices. Any communication to be made under or in connection with this Agreement shall be effected in the manner provided for in clause 30 (*Notices*) of the Facility Agreement.

10.2 Waiver; Amendment. None of the terms and conditions of this Agreement may be changed, waived, modified or varied in any manner whatsoever unless in the manner provided for in clause 34 (*Amendments and Waivers*) of the Facility Agreement.

10.3 Obligations Absolute. The obligations of each Assignor hereunder shall remain in full force and effect without regard to, and shall not be impaired by, (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of such Assignor; (b) any exercise or non-exercise, or any waiver of, any right, remedy, power or privilege under or in respect of this Agreement or any other Finance Document; or (c) any amendment to or modification of any Finance Document or any security for any of the Secured Obligations; whether or not such Assignor shall have notice or knowledge of any of the foregoing.

10.4 Successors and Assigns. This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect, subject to release and/or termination as set forth in Section 10.9, (ii) be binding upon each Assignor, its successors and assigns; provided, however, that no Assignor shall assign any of its rights or obligations hereunder without the prior written consent of the Security Agent (lacking the prior written consent of all Lenders), and (iii) inure, together with the rights and remedies of the Security Agent hereunder, to the benefit of the Security Agent, the other Secured Parties and their respective successors, transferees and assigns. All agreements, statements, representations and warranties made by each Assignor herein or in any certificate or other instrument delivered by such Assignor or on its behalf under this Agreement shall be considered to have been relied upon by the Secured Parties and shall survive the execution and delivery of this Agreement and the Finance Documents regardless of any investigation made by the Secured Parties or on their behalf.

10.5 Headings Descriptive. The headings of the several sections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

10.6 GOVERNING LAW; SUBMISSION TO JURISDICTION; VENUE; WAIVER OF JURY TRIAL.

(a) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER FINANCE DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE WHICH ARE LOCATED IN THE COUNTY OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH ASSIGNOR HEREBY IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS. EACH ASSIGNOR HEREBY FURTHER IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH COURTS LACK JURISDICTION OVER SUCH ASSIGNOR, AND AGREES NOT TO PLEAD OR CLAIM IN ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER FINANCE DOCUMENT BROUGHT IN ANY OF THE AFORESAID COURTS THAT ANY SUCH COURT LACKS JURISDICTION OVER SUCH ASSIGNOR. EACH ASSIGNOR FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO ANY SUCH ASSIGNOR AT ITS ADDRESS FOR NOTICES AS PROVIDED IN SECTION 10.1 ABOVE, SUCH SERVICE TO BECOME EFFECTIVE 30 DAYS AFTER SUCH MAILING. EACH ASSIGNOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR UNDER ANY OTHER FINANCE DOCUMENT THAT SUCH SERVICE OF PROCESS WAS IN ANY WAY INVALID OR INEFFECTIVE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE SECURITY AGENT UNDER THIS AGREEMENT, OR ANY SECURED PARTIES, TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY ASSIGNOR IN ANY OTHER JURISDICTION.

(b) EACH ASSIGNOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER FINANCE DOCUMENT BROUGHT IN THE COURTS REFERRED TO IN CLAUSE (a) ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER FINANCE DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

10.7 [Intentionally omitted].

10.8 Assignor's Duties. It is expressly agreed, anything herein contained to the contrary notwithstanding, that each Assignor shall remain liable to perform all of the obligations, if any, assumed by it with respect to the Collateral and the Security Agent shall not have any obligations or liabilities with respect to any Collateral by reason of or arising out of this Agreement, nor shall the Security Agent be required or obligated in any manner to perform or fulfill any of the obligations of any Assignor under or with respect to any Collateral.

10.9 Termination; Release.

(a) At the end of the Security Period, this Agreement shall terminate (provided that all indemnities set forth herein including, without limitation in Section 9.1 hereof, shall survive such termination) and the Security Agent, at the request and expense of the respective Assignor, will promptly execute and deliver to such Assignor a proper instrument or instruments (including UCC termination statements on form UCC-3) acknowledging the satisfaction and termination of this Agreement, and will duly assign, transfer and deliver to such Assignor (without recourse and without any representation or warranty) such of the Collateral as may be in the possession of the Security Agent and as has not theretofore been sold or otherwise applied or released pursuant to this Agreement.

(b) In the event that any part of the Collateral is sold or otherwise disposed of (to a Person other than a an Secured Party) (x) at any time prior to the end of the Security Period, in connection with a sale or disposition in compliance with the requirements of clause 23.7 (*Release of security*) of the Facility Agreement or is otherwise released at the direction of the Majority Lenders (or all the Lenders if required by clause (34.2) (*Exceptions*) of the Facility Agreement) or (y) at any time thereafter, to the extent permitted by the Facility Agreement, and in the case of clauses (x) and (y), the proceeds of such sale or disposition (or from such release) are applied in accordance with the terms of the Facility Agreement, to the extent required to be so applied, the Security Agent, at the request and expense of such Assignor, will duly release from the security interest created hereby (and will execute and deliver such documentation, including termination or partial release statements and the like in connection therewith) and assign, transfer and deliver to such Assignor (without recourse and without any representation or warranty) such of the Collateral as is then being (or has been) so sold or otherwise disposed of, or released, and as may be in the possession of the Security Agent and has not theretofore been released pursuant to this Agreement. Furthermore, upon the release of any Assignor (other than the Borrower) as a Guarantor under the Facility Agreement in accordance with the provisions thereof, such Assignor (and the Collateral at such time assigned by the respective Assignor pursuant hereto) shall be released from this Agreement.

(c) At any time that an Assignor desires that the Security Agent take any action to acknowledge or give effect to any release of Collateral pursuant to the foregoing Section 10.9(a) or (b), such Assignor shall deliver to the Security Agent a certificate signed by a principal executive officer of such Assignor stating that the release of the respective Collateral is permitted pursuant to such Section 10.9(a) or (b). At any time that the Borrower or the respective Assignor desires that a Subsidiary of the Borrower which has been released from this Guaranty be released hereunder as provided in the last sentence of Section 10.9(b), it shall deliver to the Security Agent a certificate signed by a principal executive officer of the Borrower and the respective Assignor stating that the release of the respective Assignor (and its Collateral) is permitted pursuant to such Section 10.9(b). If reasonably requested by the Security Agent (although the Security Agent shall have no obligation to make such request), the relevant Assignor shall furnish appropriate legal opinions (from counsel, reasonably acceptable to the Security Agent) to the effect set forth in this Section 10.9(b).

(d) The Security Agent shall have no liability whatsoever to any other Secured Party as the result of any release of Collateral by it in accordance with (or which the Security Agent in good faith believes to be in accordance with) this Section 10.9.

10.10 Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the Borrower and the Security Agent.

10.11 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.12 The Security Agent and the other Secured Parties; Appointees.

(a) The Security Agent will hold in accordance with this Agreement all items of the Collateral at any time received under this Agreement. It is expressly understood and agreed that the obligations of the Security Agent as holder of the Collateral and interests therein and with respect to the disposition thereof, and otherwise under this Agreement, are only those expressly set forth in this Agreement and the Finance Documents. The Security Agent shall act hereunder on the terms and conditions set forth herein and the Finance Documents.

(b) The Security Agent may employ a custodian, agent, nominee or delegate (an "**Appointee**") to transact or concur in transacting any business and to do or concur in doing any acts required to be done by the Security Agent (including the receipt and payment of money and the receipt of securities) and if the Security Agent exercises reasonable care in the selection of such agent, it shall not have any obligation to supervise the Appointee or be responsible for any liability incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee.

10.13 Additional Assignors. Any Subsidiary of the Borrower that has agreed with the Security Agent to become an Assignor hereunder shall be required to (x) execute and deliver a counterpart hereof to the Security Agent or execute a Joinder Agreement and deliver the same to the Security Agent, in each case, as may be requested by (and in form and substance satisfactory to) the Security Agent and (y) take all actions as specified in this Agreement as would have been taken by such Assignor had it been an original party to this Agreement, in each case with all documents and actions required to be taken above to be taken to the reasonable satisfaction of the Security Agent.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

CORE EDUCATION AND CONSULTING SOLUTIONS, INC.,
as an Assignor

By: ______________________________
Name: SHEKHAR IYER
Title: CEO

PARTNERS4GROWTH, INC.,
as an Assignor

By: ______________________________
Name: SHEKHAR IYER
Title: CEO

DB TRUSTEES (HONG KONG) LIMITED,
as Security Agent

By: ______________________________
Name: Melissa Chow
Title: Authorised Signatory

Annita Yeo Shiao Lian
Authorised Signatory

ANNEX A
to
SECURITY AGREEMENT

SCHEDULE OF ASSIGNORS AND CHIEF EXECUTIVE OFFICES

Name of Assignor	Address(es) of Chief Executive Office
Core Education and Consulting Solutions, Inc.	3 Ravinia Drive, Suite 1900 Atlanta, Georgia 30346
Partners4Growth, Inc.	3 Ravinia Drive, Suite 1900 Atlanta, Georgia 30346

ANNEX B
to
SECURITY AGREEMENT

SCHEDULE OF INVENTORY AND EQUIPMENT LOCATIONS

Assignor	Location
Core Education and Consulting Solutions, Inc.	3 Ravinia Drive, Suite 1900 Atlanta, Georgia 30346
	3350 Scott Boulevard, Building 34 Santa Clara, California 95054
	3 Second Street, Suite 208 Jersey City, New Jersey 07310 (Location Closed August 2012)
	5 Independence Way, #160 Princeton, New Jersey 08540
	One Penn Plaza, Suite 2905 New York, NY 10120
	1320 University Ave. Rochester, NY14607
	250 Turner Blvd. Ball Ground, GA 30107
	444 Washington Street, Suite 306 Woburn, MA 01801
	8830 Stanford Blvd. Suite 314 Columbia, MD 21045
	Sioux City, South Dakota 125 Gateway Dr. N. Souix City, SD 57049
	1601 West Main Street Mesa, AZ 85201 300 Satellite Boulevard Suwanee, Georgia 30024
	2 Great Pasture Road

	Danbury, Connecticut 06810 119 P. Rickman Industrial Drive Holly Springs, Georgia 30115 115 P. Rickman Industrial Drive Holly Springs, Georgia 30115 2750 Holmes Road Houston, Texas 77051 20488 84th Avenue S Kent, Washington 98032 300 Moss Hill Lane Salisbury, Maryland 21804
Partners4Growth, Inc.	N/A

ANNEX C
to
SECURITY AGREEMENT

SCHEDULE OF LEGAL NAMES, TYPE OF ORGANIZATION
(AND WHETHER A REGISTERED ORGANIZATION AND/OR
A TRANSMITTING UTILITY), JURISDICTION OF ORGANIZATION,
LOCATION, ORGANIZATIONAL IDENTIFICATION NUMBERS
AND FEDERAL EMPLOYER IDENTIFICATION NUMBERS

Exact Legal Name of Each Assignor	Type of Organization (or, if the Assignor is an Individual, so indicate)	Registered Organization? (Yes/No)	Jurisdiction of Organization	Assignor's Location (for purposes of NY UCC § 9-307)	Assignor's Organization Identification Number (or, if it has none, so indicate)	Assignor's Federal Employer Identification Number (or, if it has none, so indicate)	Transmitting Utility? (Yes/No)
Core Education and Consulting Solutions, Inc.	Corporation	Yes	Tennessee	3 Ravinia Drive, Suite 1900 Atlanta, Georgia 30346	446881	34-1978691	No
Partners4Growth, Inc.	Corporation	Yes	Delaware	3 Ravinia Drive, Suite 1900 Atlanta, Georgia 30346	3279938	04-3529437	No

ANNEX D
to
SECURITY AGREEMENT

SCHEDULE OF TRADE AND FICTITIOUS NAMES

Name of Assignor	Trade and/or Fictitious Names
Core Education and Consulting Solutions, Inc.	CORE K-12 CORE Advanced Technology Group CORE ATG
Partners4Growth, Inc.	N/A

ANNEX E
to
SECURITY AGREEMENT

DESCRIPTION OF CERTAIN SIGNIFICANT TRANSACTIONS OCCURRING WITHIN ONE YEAR PRIOR TO THE DATE OF THE SECURITY AGREEMENT

Name of Assignor	Description of any Transactions as required by Section 3.8 of the Security Agreement
Core Education and Consulting Solutions, Inc.	Merger of Keenan, Keenan and Associates, Inc., wholly-owned subsidiary, with and into Core Education and Consulting Solutions, Inc.
Partners4Growth, Inc.	N/A

ANNEX F
to
SECURITY AGREEMENT

Schedule of Deposit Accounts

Name of Assignor	Description of Deposit Account	Account Number	Name of Bank, Address and Contact Information	Jurisdiction of Bank (determined in accordance with UCC § 9-304)
Core Education and Consulting Solutions, Inc.	operations bank account	1000096092183	SunTrust	Georgia
Core Education and Consulting Solutions, Inc.	operations bank account	280008327	Genesee Regional Bank	New York
Core Education and Consulting Solutions, Inc.	operations bank account	1000096092175	SunTrust	Georgia
Core Education and Consulting Solutions, Inc.	operations bank account	1000100092930	SunTrust	Georgia
Core Education and Consulting Solutions, Inc.	operations bank account	280003815	Genesee Regional Bank	New York
Core Education and Consulting Solutions, Inc.	operations bank account	1000100092906	SunTrust	Georgia
Partners4 Growth, Inc.	operations bank account	280005158	Genesee Regional Bank	New York

ANNEX G
to
SECURITY AGREEMENT

FORM OF CONTROL AGREEMENT REGARDING DEPOSIT ACCOUNTS

AGREEMENT (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, this "Agreement"), dated as of _______ __, ____, among the undersigned assignor (the "Assignor"), DB Trustees (Hong Kong) Limited, not in its individual capacity but solely as Security Agent (the "Security Agent"), and __________ (the "Deposit Account Bank"), as the "bank" (as defined in Section 9-102 of the UCC as in effect on the date hereof in the State of _______________ (the "UCC")) with which one or more deposit accounts (as defined in Section 9-102 of the UCC) are maintained by the Assignor (with all such deposit accounts now or at any time in the future maintained by the Assignor with the Deposit Account Bank being herein called the "Deposit Accounts").

W I T N E S S E T H :

WHEREAS, the Assignor, various other assignors and the Security Agent have entered into a Security Agreement, dated as of [●], 2013 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "Security Agreement"), under which, among other things, in order to secure the payment of the Secured Obligations (as defined in the Security Agreement), the Assignor has granted a security interest to the Security Agent for the benefit of the Secured Parties (as defined in the Security Agreement) in all of the right, title and interest of the Assignor in and into any and all "deposit accounts" (as defined in Section 9-102 of the UCC) and in all monies, securities, instruments and other investments deposited therein from time to time (collectively, herein called the "Collateral"); and

WHEREAS, the Assignor desires that the Deposit Account Bank enter into this Agreement in order to establish "control" (as defined in Section 9-104 of the UCC) in each Deposit Account at any time or from time to time maintained with the Deposit Account Bank, and to provide for the rights of the parties under this Agreement with respect to such Deposit Accounts;

NOW THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Assignor's Dealings with Deposit Accounts; Notice of Exclusive Control. Until the Deposit Account Bank shall have received from the Security Agent a Notice of Exclusive Control (as defined below), the Assignor shall be entitled to present items drawn on and otherwise to withdraw or direct the disposition of funds from the Deposit Accounts and give instructions in respect of the Deposit Accounts; provided, however, that the Assignor may not, and the Deposit Account Bank agrees that it shall not permit the Assignor to, without the Security Agent's prior written consent, close any Deposit Account. If the Security Agent shall give to the Deposit Account Bank a notice of the Security Agent's exclusive control of the Deposit Accounts, which notice states that it is a "Notice of Exclusive Control" (a "Notice of

Exclusive Control"), only the Security Agent shall be entitled to withdraw funds from the Deposit Accounts, to give any instructions in respect of the Deposit Accounts and any funds held therein or credited thereto or otherwise to deal with the Deposit Accounts.

2. Security Agent's Right to Give Instructions as to Deposit Accounts. (a) Notwithstanding the foregoing or any separate agreement that the Assignor may have with the Deposit Account Bank, the Security Agent shall be entitled, for purposes of this Agreement, at any time to give the Deposit Account Bank instructions as to the withdrawal or disposition of any funds from time to time credited to any Deposit Account, or as to any other matters relating to any Deposit Account or any other Collateral, without further consent from the Assignor. The Assignor hereby irrevocably authorizes and instructs the Deposit Account Bank, and the Deposit Account Bank hereby agrees, to comply with any such instructions from the Security Agent without any further consent from the Assignor. Such instructions may include the giving of stop payment orders for any items being presented to any Deposit Account for payment. The Deposit Account Bank shall be fully entitled to rely on, and shall comply with, such instructions from the Security Agent even if such instructions are contrary to any instructions or demands that the Assignor may give to the Deposit Account Bank. In case of any conflict between instructions received by the Deposit Account Bank from the Security Agent and the Assignor, the instructions from the Security Agent shall prevail.

(b) It is understood and agreed that the Deposit Account Bank's duty to comply with instructions from the Security Agent regarding the Deposit Accounts is absolute, and the Deposit Account Bank shall be under no duty or obligation, nor shall it have the authority, to inquire or determine whether or not such instructions are in accordance with the Security Agreement or any other Finance Documents), nor seek confirmation thereof from the Assignor or any other Person.

3. Assignor's Exculpation and Indemnification of Depository Bank. The Assignor hereby irrevocably authorizes and instructs the Deposit Account Bank to follow instructions from the Security Agent regarding the Deposit Accounts even if the result of following such instructions from the Security Agent is that the Deposit Account Bank dishonors items presented for payment from any Deposit Account. The Assignor further confirms that the Deposit Account Bank shall have no liability to the Assignor for wrongful dishonor of such items in following such instructions from the Security Agent. The Deposit Account Bank shall have no duty to inquire or determine whether the Assignor's obligations to the Security Agent are in default or whether the Security Agent is entitled, under any separate agreement between the Assignor and the Security Agent, to give any such instructions. The Assignor further agrees to be responsible for the Deposit Account Bank's customary charges and to indemnify the Deposit Account Bank from and to hold the Deposit Account Bank harmless against any loss, cost or expense that the Deposit Account Bank may sustain or incur in acting upon instructions which the Deposit Account Bank believes in good faith to be instructions from the Security Agent.

4. Subordination of Security Interests; Deposit Account Bank's Recourse to Deposit Accounts. The Deposit Account Bank hereby subordinates any claims and security interests it may have against, or with respect to, any Deposit Account at any time established or maintained with it by the Assignor (including any amounts, investments, instruments or other Collateral from time to time on deposit therein) to the security interests of the Security Agent (for the benefit of the Secured Parties) therein, and agrees that no amounts shall be charged by it to, or withheld or set-off or otherwise recouped by it from, any Deposit Account of the Assignor or any amounts, investments, instruments or other Collateral from time to time on deposit therein; provided that the Deposit Account Bank may, however, from time to time debit the Deposit Accounts for any of its customary charges in maintaining the Deposit Accounts or for reimbursement for the reversal of any provisional credits granted by the Deposit Account Bank to any Deposit Account, to the extent, in each case, that the Assignor has not separately paid or reimbursed the Deposit Account Bank therefor.[1]

5. Representations, Warranties and Covenants of Deposit Account Bank. The Deposit Account Bank represents and warrants to the Security Agent that:

(a) The Deposit Account Bank constitutes a "bank" (as defined in Section 9-102 of the UCC), that the jurisdiction (determined in accordance with Section 9-304 of the UCC) of the Deposit Account Bank for purposes of each Deposit Account maintained by the Assignor with the Deposit Account Bank shall be one or more States within the United States.

(b) The Deposit Account Bank shall not permit any Assignor to establish any demand, time, savings, passbook or other account with it which does not constitute a "deposit account" (as defined in Section 9-102 of the UCC).

(c) The account agreements between the Deposit Account Bank and the Assignor relating to the establishment and general operation of the Deposit Accounts provide, whether specifically or generally, that the laws of [●][2] govern secured transactions relating to the Deposit Accounts and that the Deposit Account Bank's "jurisdiction" for purposes of Section 9-304 of the UCC in respect of the Deposit Accounts is [●].[3] The Deposit Account Bank will not, without the Security Agent's prior written consent, amend any such account agreement so that the Deposit Account Bank's jurisdiction for purposes of Section 9-304 of the UCC is other than a jurisdiction permitted pursuant to preceding clause (a). All account agreements in respect of each

[1] If the respective Deposit Account Bank is unwilling to agree to this paragraph, then the Security Agent may take the described in Section 3.9 of the Security Agreement. If the Deposit Account Bank does not agree to subordinations, its security interests in the Deposit Accounts maintained with it will have priority over the Security Agent's security interests therein under Section 9-327 of Revised Article 9.

[2] Inserted jurisdiction(s) must be consistent with requirements of preceding clause (a).

[3] See footnote 2.

Deposit Account in existence on the date hereof are listed on Schedule A hereto and copies of all such account agreements have been furnished to the Security Agent. The Deposit Account Bank will promptly furnish to the Security Agent a copy of the account agreement for each Deposit Account hereafter established by the Deposit Account Bank for the Assignor.

(d) The Deposit Account Bank has not entered and will not enter, into any agreement with any other Person by which the Deposit Account Bank is obligated to comply with instructions from such other Person as to the disposition of funds from any Deposit Account or other dealings with any Deposit Account or other of the Collateral.

(e) On the date hereof the Deposit Account Bank maintains no Deposit Accounts for the Assignor other than the Deposit Accounts specifically identified in Schedule A hereto.

(f) Any items or funds received by the Deposit Account Bank for the Assignor's account will be credited to said Deposit Accounts specified in paragraph (e) above or to any other Deposit Accounts hereafter established by the Deposit Account Bank for the Assignor in accordance with this Agreement.

(g) The Deposit Account Bank will promptly notify the Security Agent of each Deposit Account hereafter established by the Deposit Account Bank for the Assignor (which notice shall specify the account number of such Deposit Account and the location at which the Deposit Account is maintained), and each such new Deposit Account shall be subject to the terms of this Agreement in all respects.

6. Deposit Account Statements and Information. The Deposit Account Bank agrees, and is hereby authorized and instructed by the Assignor, to furnish to the Security Agent, at its address indicated below, copies of all account statements and other information relating to each Deposit Account that the Deposit Account Bank sends to the Assignor and to disclose to the Security Agent all information requested by the Security Agent regarding any Deposit Account.

7. Conflicting Agreements. This Agreement shall have control over any conflicting agreement between the Deposit Account Bank and the Assignor.

8. Merger or Consolidation of Deposit Account Bank. Without the execution or filing of any paper or any further act on the part of any of the parties hereto, any bank into which the Deposit Account Bank may be merged or with which it may be consolidated, or any bank resulting from any merger to which the Deposit Account Bank shall be a party, shall be the successor of the Deposit Account Bank hereunder and shall be bound by all provisions hereof which are binding upon the Deposit Account Bank and shall be deemed to affirm as to itself all representations and warranties of the Deposit Account Bank contained herein.

9. Notices. (a) All notices and other communications provided for in this Agreement shall be in writing (including facsimile) and sent to the intended recipient at its address or telex or facsimile number set forth below:

If to the Security Agent, at:

[●]

If to the Assignor, at:

[●]

If to the Deposit Account Bank, at:

[●]

or, as to any party, to such other address or telex or facsimile number as such party may designate from time to time by notice to the other parties.

(b) Except as otherwise provided herein, all notices and other communications hereunder shall be delivered by hand or by commercial overnight courier (delivery charges prepaid), or mailed, postage prepaid, or telexed or faxed, addressed as aforesaid, and shall be effective (i) three business days after being deposited in the mail (if mailed), (ii) when delivered (if delivered by hand or courier) and (iii) or when transmitted with receipt confirmed (if telexed or faxed); provided that notices to the Security Agent shall not be effective until actually received by it.

10. Amendment. This Agreement may not be amended, modified or supplemented except in writing executed and delivered by all the parties hereto.

11. Binding Agreement. This Agreement shall bind the parties hereto and their successors and assign and shall inure to the benefit of the parties hereto and their successors and assigns. Without limiting the provisions of the immediately preceding sentence, the Security Agent at any time or from time to time may designate in writing to the Deposit Account Bank a successor Security Agent (at such time, if any, as such entity becomes the Security Agent under the Security Agreement, or at any time thereafter) who shall thereafter succeed to the rights of the existing Security Agent hereunder and shall be entitled to all of the rights and benefits provided hereunder.

12. Continuing Obligations. The rights and powers granted herein to the Security Agent have been granted in order to protect and further perfect its security interests in the Deposit Accounts and other Collateral and are powers coupled with an interest and will be affected neither by any purported revocation by the Assignor of this Agreement or the rights granted to the Security Agent hereunder or by the bankruptcy, insolvency, conservatorship or receivership of the Assignor or the Deposit Account Bank or by the lapse of time. The rights of

the Security Agent hereunder and in respect of the Deposit Accounts and the other Collateral, and the obligations of the Assignor and Deposit Account Bank hereunder, shall continue in effect until the security interests of Security Agent in the Deposit Accounts and such other Collateral have been terminated and the Security Agent has notified the Deposit Account Bank of such termination in writing.

13. **GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

14. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date first written above.

Assignor:

[NAME OF ASSIGNOR]

By:_______________________
Name:
Title:

Security Agent:

DB TRUSTEES (HONG KONG) LIMITED

By:______________________
Name:
Title:

By:______________________
Name:
Title:

Deposit Account Bank:

[NAME OF DEPOSIT ACCOUNT BANK]

By:______________________
Name:
Title:

ANNEX H
to
SECURITY AGREEMENT

DESCRIPTION OF COMMERCIAL TORT CLAIMS

Name of Assignor	Description of Commercial Tort Claims
Core Education and Consulting Solutions, Inc.	None
Partners4Growth, Inc.	None

ANNEX I
to
SECURITY AGREEMENT

SCHEDULE OF MARKS AND APPLICATIONS;
INTERNET DOMAIN NAME REGISTRATIONS

1. Marks and Applications:

Marks	Country	Registration No.
Bright Idea (words only)	U.S.	3350912
CORE ECS (words only)	U.S.	3725967
ECS Bright Idea (with light bulb logo)	U.S.	3350913
Edmastery (words only)	U.S.	2882561
Edmastery (words only)	U.S.	3848685
Every Child Can Achieve (words only)	U.S.	3723829
Homeroom (words only)	U.S.	2451728
Prospects in ELA (words only)	U.S.	3525036
Prospects in Math (words only)	U.S.	3541064
Sidestreets (words only)	U.S.	3231162
Sidestreets (logo)	U.S.	3220701
IP Growth (words only)	U.S.	4007319
CORE ECS BRIGHT IDEA (words only)	U.S.	4094474
ECS DTOOL QUERY ANY DATA ANYWHERE! (logo)	U.S.	4092053
CORE ECS Unique ID (words	U.S.	4094464

only)		
AC3	U.S.	4109787
Core Careers	U.S.	4109797
Intelligent Items	U.S.	4176620

2. Internet Domain Name Registrations:

Internet Domain Names	Country	Registration No. (or other applicable identifier)
ALGEBRAREADYNOW.COM	U.S.	
BRIGHTIDEAMI.COM	U.S.	
BUROUGHPUBLISHING.COM	U.S.	
CAREEREADY.COM	U.S.	
CLOUDPROFS.COM	U.S.	
CLOUDPROFS.NET	U.S.	
COREADVTECH.COM	U.S.	
COREADVTECH.NET	U.S.	
COREADVTECHPORTFOLIO.COM	U.S.	
COREAMERICAS.COM	U.S.	
COREATG.COM	U.S.	
COREBRIGHTIDEA.COM	U.S.	
CORECAREERS.NET	U.S.	
CORECAREERSKILLS.COM	U.S.	
CORECAREERTECH.COM	U.S.	
CORECAREERTECHED.COM	U.S.	
CORECLOUDCOMPUTING.COM	U.S.	
CORECLOUDCOMPUTING.NET	U.S.	
CORECLOUDDESKTOPS.COM	U.S.	
CORECLOUDDESKTOPS.NET	U.S.	
CORECLOUDSTORAGE.COM	U.S.	

ANNEX I

CORECLOUDSTORAGE.NET	U.S.	
CORECLOUDVDI.COM	U.S.	
CORECLOUDVDI.NET	U.S.	
CORECONSULTINGANDSTAFFING.COM	U.S.	
CORECTE.COM	U.S.	
COREECS.COM	U.S.	
CORE-ECS.COM	U.S.	
COREEDTECH.COM	U.S.	
COREEDTECH.NET	U.S.	
CORE-EDU.COM	U.S.	
CORE-EDU.NET	U.S.	
COREEDUS.COM	U.S.	
COREEDUSA.COM	U.S.	
COREFORMATIVEASSESSMENT.COM	U.S.	
COREGAZETTE.COM	U.S.	
COREGLOBALCAREERS.COM	U.S.	
COREK12ONLINE.COM	U.S.	
COREK12PORTFOLIO.COM	U.S.	
CORELEARNINGUSA.COM	U.S.	
COREUNITEDSTATES.COM	U.S.	
ECSINC.NET	U.S.	
EDMASTERY.COM	U.S.	
EMPLOYMENTSTORE.COM	U.S.	
FORMATIVEASSESSMENTCENTER.COM	U.S.	
GLOBALCAREERED.COM	U.S.	
HCLSYSTEMSINC.COM	U.S.	
HOMEROOM.COM	U.S.	
HOMEROOMPUBLISHING.COM	U.S.	
INTELICLASSES.COM	U.S.	
INTELICOURSES.COM	U.S.	
INTELIENGLISH.COM	U.S.	

INTELIMATH.COM	U.S.	
INTELIREADING.COM	U.S.	
INTELIRESOURCES.COM	U.S.	
INTELIWRITING.COM	U.S.	
INTELLICLASSES.COM	U.S.	
INTELLICOURSES.COM	U.S.	
INTELLIGENTALGEBRA.COM	U.S.	
INTELLIGENTCLASSES.COM	U.S.	
INTELLIGENTEDUCATIONRESOURCES.COM	U.S.	
INTELLIGENTEDURESOURCES.COM	U.S.	
INTELLIGENTHOMESCHOOL.COM	U.S.	
INTELLIGENTITEMS.COM	U.S.	
INTELLIGENTITEMSINC.COM	U.S.	
INTELLIGENTSCREENER.COM	U.S.	
INTELLIGENTSCREENERS.COM	U.S.	
INTELLIHOMESCHOOL.COM	U.S.	
INTELLITESTENGINE.COM	U.S.	
INTELLITESTITEMS.COM	U.S.	
MYCOREECS.COM	U.S.	
NETPIXEL.COM	U.S.	
NETPIXEL.INFO	U.S.	
NETPIXEL.US	U.S.	
OPENENDPUBLISHING.COM	U.S.	
RCSDSTAFFING.COM	U.S.	
READY4CORE.COM	U.S.	
READYSTEADYCAREER.COM	U.S.	
READYSTEADYCAREERS.COM	U.S.	
REVEALTECHNOLOGIES.COM	U.S.	
SILVERTRAINPUBLISHING.COM	U.S.	
SILVERTRAINPUBLSHING.COM	U.S.	
T2HHUB.COM	U.S.	

ANNEX I

TMSDS.BIZ	U.S.	
TMSDS.COM	U.S.	
TMSDS.INFO	U.S.	
TMSDS.NET	U.S.	
TMSDS.ORG	U.S.	
VDIMASTERS.COM	U.S.	
VDIMASTERS.NET	U.S.	

ANNEX I

SCHEDULE OF PATENTS

None.

ANNEX K
to
SECURITY AGREEMENT

SCHEDULE OF COPYRIGHTS

Copyright	Registration No.	Registration Date
SideStreets Teacher Support Binder	TXul-336-198	7/24/2007
SideStreets Vocab. Card	TXul-365-287	7/24/2007
SideStreets Reading all levels Student Edition	TXul-365-890	7/24/2007
SideStreets Reading Level B Student	TXul-365-178	7/24/2007
SideStreets Reading Level C	TXul-365-176	7/24/2007
Sidestreets Reading Level D	TXul-365-175	7/24/2007
SideStreets Reading Level E	TXul-366-310	7/24/2007
SideStreets Reading Level F	TXul-366-190	7/24/2007
SideStreets Reading Level G	TXul-366-192	7/24/2007
SideStreets Reading Level H	TXul-366-191	7/24/2007
SideStreets Reading Level I	TXul-365-177	7/24/2007
SideStreets Math Skills Book volume I & II	TXul-365-032	7/20/2007
SideStreets Math Level B	TXul-366-097	7/24/2007
SideStreets Math Level C	TXul-366-099	7/24/2007
SideStreets Math Level D	TXul-366-098	7/24/2007
SideStreets Math Level E	TX 6-608-555	7/24/2007
SideStreets Math Level F	TX 6-604-217	7/20/2007
SideStreets Math Level G	TXu1-365-852	7/20/2007
SideStreets Math Level H	TXu1-364-026	7/20/2007
SideStreets Math Level I	TXu1-366-043	7/20/2007

ANNEX L
to
SECURITY AGREEMENT

GRANT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, [Name of Grantor], a __________ _________ (the "Grantor") with principal offices at ____________________________, hereby grants to DB Trustees (Hong Kong) Limited, as Security Agent, with principal offices at [Address], (the "Grantee"), a continuing security interest in (i) all of the Grantor's right, title and interest in, to and under to the United States trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto, (ii) all Proceeds (as such term is defined in the Security Agreement referred to below) and products of the Marks, (iii) the goodwill of the businesses with which the Marks are associated and (iv) all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Secured Obligations of the Grantor, as such term is defined in the Security Agreement among the Grantor, the other assignors from time to time party thereto and the Grantee, dated as of [●], 2013 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "Security Agreement"). At the end of the Security Period (as defined in the Security Agreement), the Grantee shall execute, acknowledge, and deliver to the Grantor an instrument in writing releasing the security interest in the Marks acquired under this Grant.

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this

Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Grant as of the ____ day of ____________, ____.

[NAME OF GRANTOR], Grantor

By____________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED,
as Security Agent and Grantee

By____________________________
Name:
Title:

By____________________________
Name:
Title:

STATE OF _____________)
) ss.:
COUNTY OF ___________)

On this ____ day of _________, ____, before me personally came ________ ________________ who, being by me duly sworn, did state as follows: that [s]he is ______________ of [Name of Grantor], that [s]he is authorized to execute the foregoing Grant on behalf of said ____________ and that [s]he did so by authority of the [Board of Directors] of said ____________.

____
Notary Public

STATE OF ______________)
) ss:
COUNTY OF ____________)

On this ____ day of _________, ____, before me personally came ________ _____________________ who, being by me duly sworn, did state as follows: that [s]he is __________________ of DB Trustees (Hong Kong) Limited that [s]he is authorized to execute the foregoing Grant on behalf of said ____________ and that [s]he did so by authority of the Board of Directors of said _____________.

____
Notary Public

SCHEDULE A

MARK	REG. NO.	REG. DATE

ANNEX M
to
SECURITY AGREEMENT

GRANT OF SECURITY INTEREST IN UNITED STATES PATENTS

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, [Name of Grantor], a __________ _________ (the "Grantor") with principal offices at ____________________________, hereby grants to DB Trustees (Hong Kong) Limited, as Security Agent, with principal offices at [Address], (the "Grantee"), a continuing security interest in (i) all of the Grantor's rights, title and interest in, to and under the United States patents (the "Patents") set forth on Schedule A attached hereto, in each case together with (ii) all Proceeds (as such term is defined in the Security Agreement referred to below) and products of the Patents, and (iii) all causes of action arising prior to or after the date hereof for infringement of any of the Patents or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Secured Obligations of the Grantor, as such term is defined in the Security Agreement among the Grantor, the other assignors from time to time party thereto and the Grantee, dated as of [●], 2013 (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "Security Agreement"). At the end of the Security Period (as defined in the Security Agreement), the Grantee shall execute, acknowledge, and deliver to the Grantor an instrument in writing releasing the security interest in the Patents acquired under this Grant.

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Grant as of the ____ day of ____________, ____.

[NAME OF GRANTOR], Grantor

By____________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED,
as Security Agent and Grantee

By____________________________
Name:
Title:

By____________________________
Name:
Title:

STATE OF ______________)
) ss:
COUNTY OF_____________)

On this ____ day of _________, ____, before me personally came ________ ________________ who, being by me duly sworn, did state as follows: that [s]he is ______________ of [Name of Grantor], that [s]he is authorized to execute the foregoing Grant on behalf of said ____________ and that [s]he did so by authority of the Board of Directors of said ____________.

____
Notary Public

STATE OF ______________)
) ss:
COUNTY OF ____________)

On this ____ day of _________, ____, before me personally came ________ _____________________ who, being by me duly sworn, did state as follows: that [s]he is __________________ of DB Trustees (Hong Kong) Limited, that [s]he is authorized to execute the foregoing Grant on behalf of said ____________ and that [s]he did so by authority of the Board of Directors of said _____________.

____
Notary Public

SCHEDULE A

PATENT	PATENT NO.	ISSUE DATE

ANNEX N
to
SECURITY AGREEMENT

GRANT OF SECURITY INTEREST
IN UNITED STATES COPYRIGHTS

WHEREAS, [Name of Grantor], a _______________ _____________ (the "Grantor"), having its chief executive office at ________________________, ______________, is the owner of all right, title and interest in and to the United States copyrights and associated United States copyright registrations and applications for registration set forth in Schedule A attached hereto;

WHEREAS, **DB TRUSTEES (HONG KONG) LIMITED**, as Security Agent, having its principal offices at [address] (the "Grantee"), desires to acquire a security interest in said copyrights and copyright registrations and applications therefor; and

WHEREAS, the Grantor is willing to grant to the Grantee a security interest in and lien upon the copyrights and copyright registrations and applications therefor described above.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and subject to the terms and conditions of the Security Agreement, dated as of [●], 2013, made by the Grantor, the other assignors from time to time party thereto and the Grantee (as amended, restated, amended and restated, supplemented and/or otherwise modified from time to time, the "Security Agreement"), the Grantor hereby assigns to the Grantee as collateral security, and grants to the Grantee a continuing security interest in, to and under the copyrights and copyright registrations and applications therefor set forth in Schedule A attached hereto.

At the end of the Security Period (as defined in the Security Agreement), the Grantee shall execute, acknowledge, and deliver to the Grantor an instrument in writing releasing the security interest in the Copyrights acquired under this Grant.

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

[Remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Grant as of the ____ day of ____________, ____.

[NAME OF GRANTOR], Grantor

By___________________________
Name:
Title:

DB TRUSTEES (HONG KONG) LIMITED,
as Security Agent and Grantee

By___________________________
Name:
Title:

By___________________________
Name:
Title:

STATE OF)
) ss:
COUNTY OF)

On this __ day of _________, ____, before me personally came ___________ ______________, who being duly sworn, did depose and say that [s]he is ___________________ of [Name of Grantor], that [s]he is authorized to execute the foregoing Grant on behalf of said corporation and that [s]he did so by authority of the Board of Directors of said corporation.

____
Notary Public

STATE OF ______________)
) ss.:
COUNTY OF____________)

On this ____ day of _________, ____, before me personally came ________ __________________ who, being by me duly sworn, did state as follows: that [s]he is __________________ of DB Trustees (Hong Kong) Limited, that [s]he is authorized to execute the foregoing Grant on behalf of said __________ and that [s]he did so by authority of the Board of Directors of said _____________.

____
Notary Public

ANNEX O
to
SECURITY AGREEMENT

JOINDER AGREEMENT

THIS JOINDER AGREEMENT TO SECURITY AGREEMENT (this "Joinder") is executed as of [●], 20[●] by [●], a [●] organized under the laws of [●] (the "Joining Party"), and delivered to DB Trustees (Hong Kong) Limited, as Security Agent (the "Security Agent"), for the benefit of the Secured Parties (as defined below). Except as otherwise defined herein, terms used herein and defined in the Facility Agreement (as defined below) shall be used herein as therein defined, as applicable.

W I T N E S S E T H:

WHEREAS, the Borrower, and certain of its Subsidiaries, as assignors, entered into a Security Agreement, dated as of [●], 2013, with DB Trustees (Hong Kong) Limited, as Security Agent, for the benefit of the Secured Parties (the "Security Agreement");

WHEREAS, the Joining Party, as a Guarantor, is required pursuant to the Facility Agreement, to become an Assignor under and as defined in the Security Agreement; and

WHEREAS, the Joining Party will obtain benefits from the incurrence of loans by the Borrower pursuant to the Facility Agreement and desires to execute this Joinder in order to satisfy the requirements described in the preceding paragraph;

NOW, THEREFORE, in consideration of the foregoing and other benefits accruing to the Joining Party, the receipt and sufficiency of which are hereby acknowledged, the Joining Party hereby makes the following representations and warranties to the Secured Parties and hereby covenants and agrees with each Secured Party as follows:

1. By this Joinder, the Joining Party becomes an Assignor for all purposes under the Security Agreement, pursuant to Section 10.13 thereof.

2. The Joining Party agrees that, upon its execution hereof, it will become an Assignor under, and as defined in, the Security Agreement, and will be bound by all terms, conditions and duties applicable to an Assignor under the Security Agreement. Without limitation of the foregoing and in furtherance thereof, as security for the due and punctual payment of the Secured Obligations (as defined in the Facility Agreement), the Joining Party hereby pledges, hypothecates, assigns, transfers, sets over and delivers to the Security Agent for the benefit of the Secured Parties and grants to the Security Agent for the benefit of the Secured Parties a security interest in all Collateral (as defined in the Security Agreement), if any, now owned or, to the extent provided in the Security Agreement, hereafter acquired by it.

3. In connection with the grant by the Joining Party, pursuant to paragraph 2 above, of a security interest in all of its right, title and interest in the Collateral (as defined in the Security Agreement) in favor of the Security Agent, the Joining Party (i) agrees to deliver to the

Security Agent for the benefit of the Secured Parties, together with the delivery of this Joinder, each of the items specified in Section 2.1 of the Security Agreement, (ii) agrees to execute (if necessary) and deliver to the Security Agent such financing statements, in form acceptable to the Security Agent, as the Security Agent may request or as are necessary or desirable in the opinion of the Security Agent to establish and maintain a valid, enforceable, first priority perfected security interest in the Collateral referred to in the Security Agreement and owned by the Joining Party and (iii) authorizes the Security Agent to file any such financing statements without the signature of the Joining Party where permitted by law.

4. The Joining Party hereby makes each of the representations and warranties and undertakes and agrees to each of the covenants applicable to the Assignors pursuant to the Security Agreement and the other Finance Documents to which it is or becomes a party.

5. Annexes A, B, C, D, E, F, G, H, I, J, K, L, M , N and O to the Security Agreement are hereby supplemented with the information for the Joining Party contained on Annexes A, B, C, D, E, F, G, H, I, J, K, L, M, N and O attached hereto as Schedule I. Such supplements shall be deemed to be part of the Security Agreement for all purposes.

6. This Joinder shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of and be enforceable by each of the parties hereto and its successors and assigns, provided, however, the Joining Party may not assign any of its rights, obligations or interest hereunder or under any other Finance Document without the prior written consent of the Lenders or as otherwise permitted by the Finance Documents. **THIS JOINDER SHALL BE GOVERNED BY, CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.** This Joinder may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. In the event that any provision of this Joinder shall prove to be invalid or unenforceable, such provision shall be deemed to be severable from the other provisions of this Joinder which shall remain binding on all parties hereto. Delivery of any executed counterpart of this Joinder by telecopy or other electronic transmission by any party hereto shall be effective as such party's original executed counterpart.

7. From and after the execution and delivery hereof by the parties hereto, this Joinder shall constitute a "Security Document" for all purposes of the Facility Agreement and the other Finance Documents.

8. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

9. The effective date of this Joinder is [●] 20[●].

* * *

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be duly executed and delivered by their duly authorized officers as of the date first above written.

Address: [●]

[●],
as Joining Party

By:___________________________
Name:
Title: